



April 1, 2003

ENGROSSED

HOUSE BILL No. 1001

DIGEST OF HB 1001 (Updated March 28, 2003 1:38 PM - DI 44)

Citations Affected: IC 4-15; IC 4-30; IC 4-33; IC 5-13; IC 6-1.1; IC 12-10; IC 12-15; IC 13-17; IC 13-18; IC 20-5.5; IC 20-8.1; IC 20-12; IC 21-1; IC 21-2; IC 21-3; IC 21-6.1; IC 23-13; IC 25-1; IC 32-34; noncode.

Synopsis: Budget bill. Makes appropriations for the state. Establishes a school funding formula. Restricts the balances of certain revolving and rotary funds administered by the department of administration. Excludes certain temporary service from the calculation of pension service credit. Prohibits the lottery commission from offering keno games. Transfers \$33,000,000 of riverboat wagering tax revenues to the state general fund during the current fiscal year. Increases by \$35,000,000 the amount of money transferred to the build Indiana fund from riverboat wagering revenue deposited in the property tax replacement fund. Reduces by 50% the amount of the supplemental distribution payable during the next two state fiscal years to certain entities that do not receive their base year amount of riverboat admissions taxes. Makes changes in the sharing of reimbursable costs for the Medicaid programs involving school corporations. Sets forth reimbursement requirements under the community and home options to institutional care for the elderly and disabled (CHOICE) program. Requires a CHOICE provider to provide the same service to a Medicaid waiver recipient if the service is reimbursable under the Medicaid waiver. Authorizes the office of Medicaid policy and planning (OMPP) to apply for a waiver to require specified Medicaid

(Continued next page)

Effective: January 1, 2002 (retroactive); July 1, 2002 (retroactive); January 1, 2003 (retroactive); upon passage; July 1, 2003.

Crawford, Cochran

(SENATE SPONSORS — MEEKS R, SIMPSON)

January 15, 2003, read first time and referred to Committee on Ways and Means.
February 17, 2003, amended reported — Do Pass.
February 19, 2003, read second time, amended, ordered engrossed.
February 20, 2003, engrossed. Read third time, referred to Committee of One, amended; passed. Yeas 51, nays 49.
February 21, 2003, re-engrossed.

SENATE ACTION

March 10, 2003, read first time and referred to Committee on Finance.
March 31, 2003, amended, reported favorably — Do Pass.

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recipients of a county that the office determines is feasible and cost effective to enroll in the Medicaid risk-based managed care program. Requires the air pollution control board to establish fees for the auto emissions testing program. Authorizes loans from the wastewater revolving loan fund for certain purposes related to cleanup of brownfields. Provides for the use of money from the pension stabilization fund to pay pension liabilities of the state teachers' retirement fund. Merges the Indiana professional licensing agency and the health professions bureau. Provides that the trustees of Ivy Tech State College must publish fee and tuition increases in their minutes. Specifies the date when money payable as the result of an insurance company demutualization is considered abandoned for purposes of the unclaimed property law. Authorizes bonding for certain projects. Requires the transfer of certain amounts from the abandoned property fund to the state general fund. Provides for a loan from the public depository insurance fund and the transfer of money from other funds to the state general fund. Credits certain money received from the federal government to the unemployment insurance benefit fund. Provides that the state budget agency is responsible for oversight of certain state personnel functions. Requires that pharmacies that dispense prescription drugs to Medicaid recipients in a health facility provide certain information to OMPP and requires OMPP to use the information to determine certain reimbursement for the drugs dispensed. Provides that advances made by the state board of finance from the abandoned property fund to charter schools are forgiven. Repeals: (1) the statute that establishes the health professions bureau; (2) a noncode provision concerning a Medicaid waiver for persons with autism that makes an appropriation; and (3) provisions concerning school funding that are replaced by the school funding formula in this bill. Makes other changes.

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April 1, 2003

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1001

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. [EFFECTIVE JULY 1, 2003]

(a) The following definitions apply throughout this act:

(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act, subject to any conditions or limitations, from revenues accruing to the fund from which the appropriation was made.

(2) "Biennium" means the period beginning July 1, 2003, and ending June 30, 2005.

Appropriations appearing in the biennial column for construction or other permanent improvements may be allotted as provided in IC 4-13-2-19.

(3) "Deficiency appropriation" or "special claim" means an appropriation available during the 2002-2003 fiscal year.

(4) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.

(5) "Fee replacement" includes repayment on indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.

(6) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".



(7) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.

(8) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, disability and retirement fund contributions.

(9) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".

(10) "State agency" means:

(A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;

(B) each hospital, correctional facility, and other institutional enterprise of the state;

(C) the judicial department of the state; and

(D) the legislative department of the state.

However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.

(11) "Total operating expense" includes payments for both "personal services" and "other operating expense".

(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.

(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.

(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.

(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources. However derived, the money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation thereto, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part thereof shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount shall be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.



SECTION 2. [EFFECTIVE JULY 1, 2003]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2003]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY

LEGISLATORS' SALARIES - HOUSE

Total Operating Expense	3,550,728	5,512,333
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HOUSE EXPENSES

Total Operating Expense	7,188,733	7,799,322
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LEGISLATORS' SALARIES - SENATE

Total Operating Expense	1,071,285	1,071,285
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SENATE EXPENSES

Total Operating Expense	7,186,750	7,797,170
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Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals and other usual and customary expenses associated with legislative affairs. Except as provided below, this allowance is to be paid to each member of the general assembly for every day, including Sundays, during which the general assembly is convened in regular or special session, commencing with the day the session is officially convened and concluding with the day the session is adjourned sine die. However, after five (5) consecutive days of recess, the legislative business per diem allowance is to be made on an individual voucher basis until the recess concludes.

Members of the general assembly are entitled, when authorized by the speaker of the house or the president pro tempore of the senate, to the legislative business per diem allowance for each and every day engaged in official business.

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general assembly shall receive the mileage allowance in an amount equal to the standard mileage



1 rates for personally owned transportation equipment established by the federal Internal
2 Revenue Service for each mile necessarily traveled from the member's usual place
3 of residence to the state capitol. However, if the member traveled by a means other
4 than by motor vehicle, and the member's usual place of residence is more than one
5 hundred (100) miles from the state capitol, the member is entitled to reimbursement
6 in an amount equal to the lowest air travel cost incurred in traveling from the usual
7 place of residence to the state capitol. During the period the general assembly is
8 convened in regular or special session, the mileage allowance shall be limited to
9 one (1) round trip each week per member.

10
11 Any member of the general assembly who is appointed, either by the governor, speaker
12 of the house, president or president pro tempore of the senate, house or senate minority
13 floor leader, or Indiana legislative council to serve on any research, study, or
14 survey committee or commission, or who attends any meetings authorized or convened
15 under the auspices of the Indiana legislative council, including pre-session conferences
16 and federal-state relations conferences, is entitled, when authorized by the legislative
17 council, to receive the legislative business per diem allowance for each day in actual
18 attendance and is also entitled to a mileage allowance, at the rate specified above,
19 for each mile necessarily traveled from the member's usual place of residence to
20 the state capitol, or other in-state site of the committee, commission, or conference.
21 The per diem allowance and the mileage allowance permitted under this paragraph shall
22 be paid from the legislative council appropriation for legislator and lay member
23 travel unless the member is attending an out-of-state meeting, as authorized by the
24 speaker of the house of representatives or the president pro tempore of the senate,
25 in which case the member is entitled to receive:
26 (1) the legislative business per diem allowance for each day the member is engaged
27 in approved out-of-state travel; and
28 (2) reimbursement for traveling expenses actually incurred in connection with the
29 member's duties, as provided in the state travel policies and procedures established
30 by the legislative council.

31
32 Notwithstanding the provisions of this or any other statute, the legislative council
33 may adopt, by resolution, travel policies and procedures that apply only to members
34 of the general assembly or to the staffs of the house of representatives, senate,
35 and legislative services agency, or both members and staffs. The legislative council
36 may apply these travel policies and procedures to lay members serving on research,
37 study, or survey committees or commissions that are under the jurisdiction of the
38 legislative council. Notwithstanding any other law, rule, or policy, the state travel
39 policies and procedures established by the Indiana department of administration and
40 approved by the budget agency do not apply to members of the general assembly, to
41 the staffs of the house of representatives, senate, or legislative services agency,
42 or to lay members serving on research, study, or survey committees or commissions
43 under the jurisdiction of the legislative council (if the legislative council applies
44 its travel policies and procedures to lay members under the authority of this SECTION),
45 except that, until the legislative council adopts travel policies and procedures,
46 the state travel policies and procedures established by the Indiana department of
47 administration and approved by the budget agency apply to members of the general
48 assembly, to the staffs of the house of representatives, senate, and legislative
49 services agency, and to lay members serving on research, study, or survey committees



or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' SUBSISTENCE

LEGISLATORS' EXPENSES - HOUSE

Total Operating Expense	1,775,765	2,015,396
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LEGISLATORS' EXPENSES - SENATE

Total Operating Expense	922,272	1,046,728
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Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area for:

- (1) each day that the general assembly is not convened in regular or special session; and
- (2) each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, \$6,500; assistant president pro tempore, \$2,500; majority floor leader, \$5,000; assistant majority floor leader, \$1,000; majority caucus chair, \$5,000; assistant majority caucus chair, \$1,000; finance committee chair, \$5,000; budget subcommittee chair, \$4,000; finance committee ranking majority member, \$2,000; majority whip, \$3,500; assistant majority whip, \$1,000; minority floor leader, \$5,500; minority caucus chair, \$4,500; minority assistant floor leader, \$4,500; finance committee ranking minority member, \$3,500; minority whip, \$2,500; assistant minority whip, \$500; and assistant minority caucus chair, \$500.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, \$6,500; speaker pro tempore, \$5,000; deputy speaker pro tempore, \$1,500; majority leader, \$5,000; majority



caucus chair, \$5,000; assistant majority caucus chair, \$1,000; ways and means committee chair, \$5,000; ways and means committee ranking majority member, \$3,000; speaker pro tempore emeritus, \$1,500; budget subcommittee chair, \$3,000; majority whip, \$3,500; assistant majority whip, \$1,000; assistant majority leader, \$1,000; minority leader, \$5,500; minority caucus chair, \$4,500; ways and means committee ranking minority member, \$3,500; minority whip, \$2,500; assistant minority leader, \$4,500; second assistant minority leader, \$1,500; and deputy assistant minority leader, \$1,000.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	7,887,000	8,122,000
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	560,000	570,000

If the funds above appropriated for the legislative council and the legislative services agency and legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of \$75 per day during the 2003-2005 biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

LEGISLATIVE COUNCIL CONTINGENCY FUND

Total Operating Expense	200,000
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Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:



Annual subscription to the session document service for sessions ending in odd-numbered years: \$900

Annual subscription to the session document service for sessions ending in even-numbered years: \$500

Per page charge for copies of legislative documents: \$0.15

Annual charge for interim calendar: \$10

Daily charge for the journal of either house: \$2

PRINTING AND DISTRIBUTION

Total Operating Expense	550,000	580,000
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The above funds are appropriated for the printing and distribution of documents published by the legislative council. These documents include journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 113th general assembly, the supplements to the Indiana Code for fiscal years 2003-2004 and 2004-2005, and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

COUNCIL OF STATE GOVERNMENTS ANNUAL DUES

Other Operating Expense	133,000	138,000
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NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES

Other Operating Expense	153,000	159,000
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FOR THE INDIANA LOBBY REGISTRATION COMMISSION

Total Operating Expense	218,285	218,285
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FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND LEGISLATORS' RETIREMENT FUND

Total Operating Expense	205,540	205,540
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B. JUDICIAL

FOR THE SUPREME COURT

Personal Services	5,709,622	5,619,266
Other Operating Expense	1,459,198	1,531,450

The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-13-12-9.

LOCAL JUDGES' SALARIES



		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	41,247,705	41,247,273	
2	Other Operating Expense	11,100	11,100	
3	COUNTY PROSECUTORS' SALARIES			
4	Personal Services	17,256,096	17,256,096	
5	Other Operating Expense	6,400	6,400	
6				
7	The above appropriations for county prosecutors' salaries represent the amounts authorized			
8	by IC 33-14-7-5 and that are to be paid from the state general fund.			
9				
10	In addition to the appropriations for local judges' salaries and for county prosecutors'			
11	salaries, there are hereby appropriated for personal services the amounts that the			
12	state is required to pay for salary changes or for additional courts created by the			
13	113th general assembly.			
14				
15	TRIAL COURT OPERATIONS			
16	Total Operating Expense	353,500	353,500	
17	INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY			
18	Total Operating Expense	625,000	625,000	
19				
20	The above funds are appropriated to the division of state court administration in			
21	compliance with the provisions of IC 33-2.1-12-7.			
22				
23	PUBLIC DEFENDER COMMISSION			
24	Public Defense Fund			
25	Total Operating Expense	4,600,000	4,600,000	
26	Augmentation allowed.			
27				
28	The above appropriation is made in addition to the distribution authorized by IC			
29	33-19-7-5(c) for the purpose of reimbursing counties for indigent defense services			
30	provided to a defendant. The division of state court administration of the supreme			
31	court of Indiana shall provide staff support to the commission and shall administer			
32	the fund. The administrative costs may come from the fund.			
33				
34	GUARDIAN AD LITEM			
35	Total Operating Expense	800,000	800,000	
36				
37	The division of state court administration shall use the foregoing appropriation			
38	to administer an office of guardian ad litem and court appointed special advocate			
39	services and to provide matching funds to counties that are required to implement,			
40	in courts with juvenile jurisdiction, a guardian ad litem and court appointed special			
41	advocate program for children who are alleged to be victims of child abuse or neglect			
42	under IC 31-33 and to administer the program. However, the court may not use more			
43	than \$75,000 per state fiscal year for administration of the program. A county may			
44	use these matching funds to supplement amounts collected as fees under IC 31-40-3			
45	and used for the operation of guardian ad litem and court appointed special advocate			
46	programs. The county fiscal body shall appropriate adequate funds for the county			
47	to be eligible for these matching funds.			
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49	CIVIL LEGAL AID			



1	Total Operating Expense	1,000,000	1,000,000
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3 **The above funds are appropriated to the division of state court administration in**
 4 **compliance with the provisions of IC 33-2.1-11-7.**

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6 **SPECIAL JUDGES - COUNTY COURTS**

7	Personal Services	3,000	3,000
8	Other Operating Expense	120,000	120,000

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10 **If the funds appropriated above for special judges of county courts are insufficient**
 11 **to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4,**
 12 **there are hereby appropriated such further sums as may be necessary to pay these**
 13 **expenses.**

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15 **COMMISSION ON RACE AND GENDER FAIRNESS**

16	Total Operating Expense	160,996	160,996
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18 **FOR THE CLERK OF THE SUPREME AND APPELLATE COURTS**

19	Personal Services	707,885	707,885
20	Other Operating Expense	186,205	186,205

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22 **FOR THE COURT OF APPEALS**

23	Personal Services	7,788,244	7,521,971
24	Other Operating Expense	1,148,220	1,152,220

25

26 **The above appropriations for the court of appeals personal services includes the**
 27 **subsistence allowance provided by IC 33-13-12-9.**

28

29 **FOR THE TAX COURT**

30	Personal Services	475,879	465,420
31	Other Operating Expense	111,146	123,350

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33 **FOR THE JUDICIAL CENTER**

34	Personal Services	1,233,026	1,214,495
35	Other Operating Expense	694,744	736,924

36

37 **The above appropriations for the judicial center include the appropriations for the**
 38 **judicial conference.**

39

40 **DRUG AND ALCOHOL PROGRAMS FUND**

41	Total Operating Expense	299,010	299,010
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43 **The above funds are appropriated under IC 33-19-7-5 for the purpose of administering,**
 44 **certifying, and supporting alcohol and drug services programs under IC 12-23-14.**
 45 **However, if the receipts are less than the appropriation, the center may not spend**
 46 **more than is collected.**

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48 **INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION**

49	Total Operating Expense	65,707	53,158
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1 Augmentation allowed from fee increases enacted in 2003 general assembly.

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FOR THE PUBLIC DEFENDER

Personal Services	5,110,515	5,092,572
Other Operating Expense	952,820	985,133

FOR THE PUBLIC DEFENDER COUNCIL

Personal Services	840,096	840,096
Other Operating Expense	228,458	228,458

FOR THE PROSECUTING ATTORNEYS' COUNCIL

Personal Services	859,204	859,204
Other Operating Expense	164,489	164,489

DRUG PROSECUTION

Drug Prosecution Fund (IC 33-14-8-5)		
Total Operating Expense	103,436	103,436
Augmentation allowed.		

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND

JUDGES' RETIREMENT FUND

Other Operating Expense	9,584,871	10,159,964
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PROSECUTORS' RETIREMENT FUND

Other Operating Expense	933,000	961,000
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C. EXECUTIVE

FOR THE GOVERNOR'S OFFICE

Personal Services	2,069,306	2,069,306
Other Operating Expense	124,352	124,352

GOVERNOR'S RESIDENCE

Total Operating Expense	166,337	166,337
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GOVERNOR'S CONTINGENCY FUND

Total Operating Expense		163,488
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Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

MISCELLANEOUS EXPENSES

Total Operating Expense	9,822	9,822
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GOVERNOR'S FELLOWSHIP PROGRAM

Total Operating Expense	154,906	154,906
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FOR THE WASHINGTON LIAISON OFFICE

Total Operating Expense	195,037	195,037
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FOR THE LIEUTENANT GOVERNOR

Personal Services	735,673	735,673
Other Operating Expense	26,833	26,833



of each transfer request and allotment. With the approval of the governor and budget agency, the expenses of conducting an audit of a state agency or program may be paid from the departmental and institutional emergency contingency fund to determine whether the state agency is managing and using its resources (including personnel, property, and office space) economically and efficiently.

PERSONAL SERVICESFRINGE BENEFITS CONTINGENCY FUND

Total Operating Expense			77,000,000
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The foregoing personal services/fringe benefits contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. The above appropriation includes \$2,000,000 for an employee leave conversion program.

The foregoing personal services/fringe benefits contingency fund appropriation may only be used for salary increases, fringe benefit increases, and for an employee leave conversion program for state employees in the 2003-2005 biennium and may not be used for any other purpose. The foregoing personal services/fringe benefits contingency fund appropriation does not revert at the end of the biennium but remains in the personal services/fringe benefit contingency fund.

Pay Phone Fund

Total Operating Expense	1	1	
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The pay phone fund is established for the procurement of hardware, software, and related equipment and services needed to expand and enhance the state campus backbone and other central information technology initiatives. Such procurements may include, but are not limited to, wiring and rewiring of state offices, Internet services, video conferencing, telecommunications, application software and related services. The fund consists of the net proceeds received from contracts with companies providing phone services at state institutions and other state properties. The fund shall be administered by the budget agency. Unallotted balances remaining in the fund on June 30 of each year shall be transferred to the general fund.

EMPLOYEE RECRUITMENT AND RETENTION FUND

Total Operating Expense			12,000,000
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The budget agency, with the approval of the governor, and after review by the budget committee, shall implement a recruitment and retention plan for professional, technical and managerial employees. The employee recruitment and retention fund is separate from and in addition to any general state employee personal service increase or the personal services/fringe benefits contingency fund and may not be used for any other purpose. The foregoing employee recruitment and retention fund appropriation does not revert at the end of the biennium but remains in the employee recruitment and retention fund.

SCHOOL AND LIBRARY INTERNET CONNECTION

Build Indiana Fund (IC 4-30-17)

Other Operating Expense			7,000,000
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Of the foregoing appropriations \$2.3 million each year shall be for schools under IC 4-34-3-4 and \$1.2 million each year shall be used for libraries under IC 4-34-3-2.

INSPIRE (IC 4-34-3-2)

Build Indiana Fund (IC 4-30-17)

Other Operating Expense		2,500,000
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PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	2,357,563	2,357,563
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The above appropriations for public television distribution are for grants for public television. The Indiana Public Broadcasting Stations, Inc. in consultation with the intelenet commission under IC 4-34-3-4 shall submit a distribution plan for the nine (9) Indiana public education television stations that shall be approved by the budget agency and reviewed by the budget committee. The above appropriation includes the costs of transmission for the "GED-on-TV" program. Of the above appropriations, \$100,000 each year shall be distributed equally among the eight radio stations.

FOR THE TREASURER OF STATE

Personal Services	810,652	810,652
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Other Operating Expense	60,500	60,500
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The treasurer of state, the board for depositories, the Indiana commission for higher education, and the state student assistance commission shall cooperate and provide to the Indiana education savings authority the following:

- (1) Clerical and professional staff and related support.
- (2) Office space and services.
- (3) Reasonable financial support for the development of rules, policies, programs, and guidelines, including authority operations and travel.

E. TAX ADMINISTRATION

FOR THE DEPARTMENT OF REVENUE

COLLECTION AND ADMINISTRATION

Personal Services	38,667,713	38,667,713
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Other Operating Expense	12,876,571	12,876,571
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With the approval of the governor and the budget agency, the department shall annually reimburse the state general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue may be augmented to an amount not exceeding in total, together with the above specific amounts, one-tenth of one percent (0.1%) of the general fund revenue collected by the department of state revenue from taxes and fees.

OUTSIDE COLLECTIONS

Total Operating Expense	2,923,440	2,923,440
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With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue's outside collections may be augmented to an amount not exceeding in total, together with the above specific amounts, one-tenth of one percent (0.1%) of the general fund revenue collected by the department from taxes and fees.

MOTOR CARRIER REGULATION

Motor Carrier Regulation Fund (IC 8-2.1-23)

Personal Services	624,082	624,082
Other Operating Expense	3,160,143	3,160,143

Augmentation allowed from the Motor Carrier Regulation Fund.

MOTOR FUEL TAX DIVISION

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	6,020,546	6,020,546
Other Operating Expense	767,283	767,283

Augmentation allowed from the Motor Vehicle Highway Account.

In addition to the foregoing appropriations, there is hereby appropriated to the department of revenue motor fuel tax division an amount sufficient to pay claims for refunds on license-fee-exempt motor vehicle fuel as provided by law. The sums above appropriated from the motor vehicle highway account for the operation of the motor fuel tax division, together with all refunds for license-fee-exempt motor vehicle fuel, shall be paid from the receipts of those license fees before they are distributed as provided by IC 6-6-1.1.

FOR THE INDIANA GAMING COMMISSION

State Gaming Fund (IC 4-33-13-3)

Personal Services	2,111,179	2,111,179
Other Operating Expense	715,830	715,830

INVESTIGATION

State Gaming Fund (IC 4-33-13-3)

Personal Services	925,000	925,000
Other Operating Expense	458,030	458,030

The foregoing appropriations to the Indiana gaming commission are made from revenues accruing to the state gaming fund under IC 4-33-13-3 before any distribution is made under IC 4-33-13-5.

Augmentation allowed.

The foregoing appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.

The commission may employ or contract for inspectors and agents required under IC 4-33-4-3.5. The licensed owners shall, in the manner prescribed by the rules of the commission, reimburse the commission for the salaries and other expenses of the inspectors and agents who are required to be present during the time gambling operations are conducted on a riverboat.



FOR THE INDIANA HORSE RACING COMMISSION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10)

Personal Services	1,781,448	1,781,448
Other Operating Expense	726,896	726,896

The foregoing appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9.

Augmentation allowed.

STANDARD BRED BOARD OF REGULATION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10)

Total Operating Expense	193,500	193,500
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The foregoing appropriations to the standardbred board of regulation are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9.

Augmentation allowed.

FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Personal Services	3,783,049	3,783,049
Other Operating Expense	588,154	588,154

From the above appropriations for the department of local government finance, travel subsistence and mileage allowances may be paid for members of the local government tax control board created by IC 6-1.1-18.5-11 and the state school property tax control board created by IC 6-1.1-19-4.1, under state travel regulations.

FOR THE INDIANA BOARD OF TAX REVIEW

Personal Services	1,255,075	1,255,075
Other Operating Expense	120,033	120,033

Augmentation allowed from fee increases enacted in 2003 general assembly.

F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION

Personal Services	11,750,289	11,750,289
Other Operating Expense	8,814,825	8,814,825

FOR THE STATE PERSONNEL DEPARTMENT

Personal Services	1,852,145	1,852,145
Other Operating Expense	260,050	260,050

STATE EMPLOYEES' APPEALS COMMISSION

Personal Services	142,482	142,482
Other Operating Expense	6,800	6,800

FOR THE INFORMATION TECHNOLOGY OVERSIGHT COMMISSION

Other Operating Expense	1	1
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*FY 2003-2004
Appropriation*

*FY 2004-2005
Appropriation*

*Biennial
Appropriation*

FOR THE COMMISSION ON PUBLIC RECORDS

Personal Services	1,273,099	1,273,099
Other Operating Expense	176,905	176,905

FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

Personal Services	139,524	139,524
Other Operating Expense	12,689	12,689

G. OTHER

FOR THE COMMISSION ON UNIFORM STATE LAWS

Total Operating Expense	45,400	45,400
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FOR THE STATE ETHICS COMMISSION

Personal Services	224,680	224,680
Other Operating Expense	30,869	30,869

FOR THE SECRETARY OF STATE

ELECTION DIVISION

Personal Services	538,951	538,951
Other Operating Expense	255,620	186,620

NATIONAL VOTER REGISTRATION PROGRAM

Personal Services	89,208	89,208
Other Operating Expense	227,400	32,400

SECTION 4. [EFFECTIVE JULY 1, 2003]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION

CENTRAL OFFICE

Personal Services	8,832,661	8,832,661
Other Operating Expense	2,371,304	2,371,304

ESCAPEE COUNSEL AND TRIAL EXPENSE

Other Operating Expense	200,000	200,000
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COUNTY JAIL MISDEMEANANT HOUSING

Total Operating Expense	4,281,101	4,281,101
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ADULT CONTRACT BEDS

Total Operating Expense	10,339,126	10,339,126
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STAFF DEVELOPMENT AND TRAINING

Personal Services	960,160	960,160
Other Operating Expense	452,912	452,912

PAROLE DIVISION

Personal Services	5,345,193	5,345,193
Other Operating Expense	787,873	787,873

PAROLE BOARD

Personal Services	498,489	498,489
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	<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1 Other Operating Expense	38,850	38,850	
2 INFORMATION MANAGEMENT SERVICES			
3 Personal Services	1,960,917	1,960,917	
4 Other Operating Expense	1,942,040	1,942,040	
5 JUVENILE TRANSITION			
6 Personal Services	879,168	879,168	
7 Other Operating Expense	12,491,264	7,227,964	
8 COMMUNITY CORRECTIONS PROGRAMS			
9 Total Operating Expense			53,650,000
10 DRUG PREVENTION AND OFFENDER TRANSITION			
11 Total Operating Expense	1,050,000	1,050,000	

13 The above appropriation shall be used for minimum security release programs, transition
14 programs, mentoring programs and supervision and assistance to adult and juvenile
15 offenders to assure the successful integration of the offender into the community
16 without incidents of recidivism.

18 CENTRAL EMERGENCY RESPONSE			
19 Personal Services	1,062,944	1,062,944	
20 Other Operating Expense	460,286	460,286	
21 MEDICAL SERVICES			
22 Other Operating Expense	27,257,311	27,257,311	
23 DRUG ABUSE PREVENTION			
24 Drug Abuse Fund (IC 11-8-2-11)			
25 Personal Services	36,762	36,762	
26 Other Operating Expense	72,000	72,000	
27 Augmentation allowed.			

29 FOR THE STATE BUDGET AGENCY			
30 COUNTY JAIL MAINTENANCE CONTINGENCY FUND			
31 Other Operating Expense	17,455,600	17,455,600	
32 Augmentation allowed.			

34 Disbursements from the fund shall be made for the purpose of reimbursing sheriffs
35 for the cost of incarcerating in county jails persons convicted of felonies to the
36 extent that such persons are incarcerated for more than five (5) days after the day
37 of sentencing, at the rate of \$35 per day. In addition to the per diem, the state
38 shall reimburse the sheriffs for any expenses incurred in providing medical care
39 to the convicted persons. However, if the sheriff or county receives money with respect
40 to a convicted person (from a source other than the county), the per diem or medical
41 expense reimbursement with respect to the convicted person shall be reduced by the
42 amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or
43 transport convicted persons within five (5) days after the day of sentencing if the
44 department of correction does not have the capacity to receive the convicted person.

46 MEDICAL SERVICE PAYMENTS			
47 Total Operating Expense	25,000,000	25,000,000	

49 These appropriations for medical service payments are made to pay for medical services



deemed medically necessary for committed individuals, patients and students of institutions under the jurisdiction of the department of correction, the state department of health, the division of mental health, the school for the blind, the school for the deaf, or the division of disability, aging and rehabilitative services if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health, the school for the blind, the school for the deaf, the division of disability, aging and rehabilitative services, or the department of correction, or that are reimbursable from funds for medical assistance under IC 12-15 or from any other health care or insurance plan that provides coverage for these individuals. If these appropriations to the budget agency are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.

Direct disbursements from the above contingency fund are not subject to the provisions of IC 4-13-2.

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU

Total Operating Expense	1	1
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FOR THE DEPARTMENT OF CORRECTION

INDIANA STATE PRISON

Personal Services	26,516,485	26,516,485
Other Operating Expense	6,908,959	6,908,959

VOCATIONAL TRAINING PROGRAM

Total Operating Expense	368,977	368,977
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PENDLETON CORRECTIONAL FACILITY

Personal Services	25,497,504	25,497,504
Other Operating Expense	6,979,555	6,979,555

CORRECTIONAL INDUSTRIAL FACILITY

Personal Services	19,481,051	19,481,051
Other Operating Expense	3,318,158	3,318,158

INDIANA WOMEN'S PRISON

Personal Services	10,618,287	10,618,287
Other Operating Expense	1,877,182	1,877,182

PUTNAMVILLE CORRECTIONAL FACILITY

Personal Services	26,078,379	26,078,379
Other Operating Expense	5,450,472	5,450,472

WABASH VALLEY CORRECTIONAL FACILITY

Personal Services	33,429,851	33,429,851
Other Operating Expense	7,919,277	7,919,277

PLAINFIELD JUVENILE CORRECTIONAL FACILITY

Personal Services	12,568,959	12,568,959
Other Operating Expense	1,850,413	1,850,413

INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY

Personal Services	8,750,541	14,703,305
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		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Other Operating Expense	2,185,998	1,727,923	
2	BRANCHVILLE CORRECTIONAL FACILITY			
3	Personal Services	16,335,725	16,335,725	
4	Other Operating Expense	2,974,213	2,974,213	
5	WESTVILLE CORRECTIONAL FACILITY			
6	Personal Services	40,052,652	40,052,652	
7	Other Operating Expense	8,486,632	8,486,632	
8	WESTVILLE MAXIMUM CONTROL FACILITY			
9	Personal Services	5,210,507	5,210,507	
10	Other Operating Expense	598,139	598,139	
11	ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN			
12	Personal Services	13,568,859	15,490,111	
13	Other Operating Expense	2,669,163	2,669,163	
14	PLAINFIELD CORRECTIONAL FACILITY			
15	Personal Services	23,243,871	23,243,871	
16	Other Operating Expense	5,518,732	5,518,732	
17	RECEPTION AND DIAGNOSTIC CENTER			
18	Personal Services	10,004,252	10,004,252	
19	Other Operating Expense	1,189,697	1,189,697	
20	MIAMI CORRECTIONAL FACILITY			
21	Personal Services	25,275,951	25,275,951	
22	Other Operating Expense	4,261,736	4,261,736	
23	NEW CASTLE CORRECTIONAL FACILITY			
24	Personal Services	12,619,854	12,619,854	
25	Other Operating Expense	2,677,840	2,677,840	
26	SOCIAL SERVICES BLOCK GRANT			
27	General Fund			
28	Total Operating Expense	7,345,005	7,345,005	
29	Title XX - Department of Correction Fund (IC 11-10-8-6.5)			
30	Total Operating Expense	1,905,450	1,905,450	
31	Augmentation allowed from Work Release Subsistence Fund and Social Services Block			
32	Grant.			
33	HENRYVILLE CORRECTIONAL FACILITY			
34	Personal Services	1,841,762	1,841,762	
35	Other Operating Expense	363,061	363,061	
36	CHAIN O' LAKES CORRECTIONAL FACILITY			
37	Personal Services	1,452,400	1,452,400	
38	Other Operating Expense	353,500	353,500	
39	MEDARYVILLE CORRECTIONAL FACILITY			
40	Personal Services	1,651,486	1,651,486	
41	Other Operating Expense	321,007	321,007	
42	ATTERBURY CORRECTIONAL FACILITY			
43	Personal Services	1,869,441	1,869,441	
44	Other Operating Expense	353,839	353,839	
45	MADISON CORRECTIONAL FACILITY			
46	Personal Services	2,892,197	2,892,197	
47	Other Operating Expense	472,663	472,663	
48	EDINBURGH CORRECTIONAL FACILITY			
49	Personal Services	2,548,527	2,548,527	



		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Other Operating Expense	367,264	367,264	
2	LAKESIDE CORRECTIONAL FACILITY			
3	Personal Services	4,605,091	4,605,091	
4	Other Operating Expense	739,800	739,800	
5	FORT WAYNE JUVENILE CORRECTIONAL FACILITY			
6	Personal Services	1,315,048	1,315,048	
7	Other Operating Expense	440,588	440,588	
8	SOUTH BEND JUVENILE CORRECTIONAL FACILITY			
9	Personal Services	3,854,512	3,854,512	
10	Other Operating Expense	2,703,437	2,703,437	
11	LOGANSPOUT INTAKE/DIAGNOSTIC FACILITY			
12	Personal Services	2,555,804	2,555,804	
13	Other Operating Expense	642,009	642,009	
14	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
15	Personal Services	7,340,632	7,340,632	
16	Other Operating Expense	1,329,548	1,329,548	
17	CAMP SUMMIT			
18	Personal Services	2,125,444	2,125,444	
19	Other Operating Expense	365,606	365,606	
20	PENDLETON JUVENILE CORRECTIONAL FACILITY			
21	Personal Services	13,225,534	13,225,534	
22	Other Operating Expense	2,555,224	2,555,224	
23	DRUG INTERDICTION			
24	Drug Interdiction Fund (IC 10-1-8-2)			
25	Total Operating Expense	279,000	279,000	
26	Augmentation allowed.			
27				
28	B. LAW ENFORCEMENT			
29				
30	FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION			
31	From the General Fund			
32	54,724,078 54,724,078			
33	From the Motor Vehicle Highway Account (IC 8-14-1)			
34	54,724,078 54,724,078			
35	From the Motor Carrier Regulation Fund (IC 8-2.1-23)			
36	6,247,573 6,247,573			
37	Augmentation allowed from general fund and motor vehicle highway account for FY 2004			
38	and FY 2005 employee salary and benefit increases only.			
39				
40	The amounts specified from the General Fund, the Motor Vehicle Highway Account, and the			
41	Motor Carrier Regulation Fund are for the following purposes:			
42				
43	Personal Services	101,006,406	101,006,406	
44	Other Operating Expense	14,689,323	14,689,323	
45				
46	The above appropriations for the Indiana state police and motor carrier inspection			
47	include funds to operate and maintain an air section for the operation of the state			
48	police and motor carrier inspection and transportation of the governor. The air			
49	section shall include no more than four rotary wing and three fixed wing aircraft			



at any one time. Any funds received from the sale of excess aircraft shall be deposited proportionately in the general fund, motor vehicle highway account and motor carrier regulation fund.

The above appropriations for personal services and other operating expense include funds to continue the state police minority recruiting program. In addition to any funds that may be expended for accident reporting from the "accident report account" under IC 9-29-11-1, there are included in the appropriations for Indiana state police and motor carrier inspection such additional funds as necessary for administering accident reporting as required under IC 9-26-3.

The foregoing appropriations for the Indiana state police and motor carrier inspection include funds for the police security detail to be provided to the Indiana state fair board. However, the Indiana state fair board shall reimburse the general fund each year an amount equal to the actual cost of providing the security.

ENFORCEMENT AID FUND

General Fund

Total Operating Expense	81,375	81,375
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Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	81,375	81,375
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The above appropriations to the enforcement aid fund are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's certificate.

PENSION FUND

General Fund

Total Operating Expense	3,771,806	3,771,806
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Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	3,771,806	3,771,806
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The above appropriations shall be paid into the state police pension fund provided for in IC 10-1-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

BENEFIT FUND

General Fund

Total Operating Expense	1,472,717	1,472,717
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Augmentation allowed.

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	1,472,717	1,472,717
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Augmentation allowed.

All benefits that accrue to members shall be paid by the auditor of state on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-1-2.



SUPPLEMENTAL PENSION

General Fund

Total Operating Expense	1,650,000	1,650,000
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Augmentation allowed.

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	1,650,000	1,650,000
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Augmentation allowed.

If the above appropriations for supplemental pension for any one (1) year are greater than the amount actually required under the provisions of IC 10-1-2.6, then the excess shall be returned proportionately to the funds from which the appropriations were made. If the amount actually required under IC 10-1-2.6 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund and the motor vehicle highway account.

ACCIDENT REPORTING

Accident Report Account (IC 9-29-11-1)

Other Operating Expense	93,000	93,000
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Augmentation allowed.

FOR THE ADJUTANT GENERAL

Personal Services	7,295,411	7,295,411
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Other Operating Expense	3,212,394	3,212,394
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NAVAL FORCES

Personal Services	152,029	152,029
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Other Operating Expense	62,763	62,763
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DISABLED SOLDIERS' PENSION

Other Operating Expense	16,167	16,740
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GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND

Total Operating Expense		720,000
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The above appropriations for the adjutant general governor's civil and military contingency fund are made under IC 10-2-7-1.

FOR THE CRIMINAL JUSTICE INSTITUTE

ADMINISTRATIVE MATCH

Total Operating Expense	449,455	449,455
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DRUG ENFORCEMENT MATCH

Total Operating Expense	660,609	660,609
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VICTIM AND WITNESS ASSISTANCE

Victim and Witness Assistance Fund (IC 5-2-6-14)

Total Operating Expense	603,196	603,196
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Augmentation allowed.

ALCOHOL AND DRUG COUNTERMEASURES

Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)

Total Operating Expense	527,100	527,100
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Augmentation allowed.



STATE DRUG FREE COMMUNITIES

State Drug Free Communities Fund (IC 5-2-10-2)

Total Operating Expense	511,325	511,325
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Augmentation allowed.

INDIANA SAFE SCHOOLS

General Fund

Total Operating Expense	3,749,500	3,749,500
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Indiana Safe Schools Fund (IC 5-2-10.1-2)

Total Operating Expense	400,500	400,500
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Augmentation allowed from Indiana Safe Schools Fund.

Of the above appropriations for the Indiana safe schools program, \$3,400,000 is appropriated annually to provide grants to school corporations for school safe haven programs, emergency preparedness programs, and school safety programs, and \$750,000 is appropriated annually for use in providing training to school safety specialists.

OFFICE OF TRAFFIC SAFETY

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	2,857,791	2,857,791
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Other Operating Expense	8,323,460	8,323,460
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Augmentation allowed.

The above appropriation for the office of traffic safety is from the motor vehicle highway account and may be used to fund traffic safety projects that are included in a current highway safety plan approved by the governor and the budget agency. The department shall apply to the national highway traffic safety administration for reimbursement of all eligible project costs. Any federal reimbursement received by the department for the highway safety plan shall be deposited into the motor vehicle highway account.

PROJECT IMPACT

Total Operating Expense	200,000	200,000
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VICTIMS OF VIOLENT CRIME ADMINISTRATION

Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Personal Services	98,365	98,365
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Other Operating Expense	2,361,673	2,361,673
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Augmentation allowed.

FOR THE CORONERS' TRAINING BOARD

Coroners' Training and Continuing Education Fund (IC 4-23-6.5-8)

Personal Services	200,168	200,168
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Other Operating Expense	325,780	325,780
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Augmentation allowed.

FOR THE INDIANA DEPARTMENT OF GAMING RESEARCH

Total Operating Expense	300,000	300,000
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FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund



1	1,595,111	1,595,111	
2	From the Law Enforcement Training Fund (IC 5-2-1-13(b))		
3	2,691,261	2,691,261	
4	Augmentation allowed from Law Enforcement Training Fund.		
5			
6	The amounts specified from the General Fund and the Law Enforcement Training		
7	Fund are for the following purposes:		
8			
9	Personal Services	2,881,221	2,881,221
10	Other Operating Expense	1,405,151	1,405,151
11			
12	C. REGULATORY AND LICENSING		
13			
14	FOR THE BUREAU OF MOTOR VEHICLES		
15	Motor Vehicle Highway Account (IC 8-14-1)		
16	Personal Services	17,497,609	17,497,609
17	Other Operating Expense	20,458,559	20,458,559
18	Augmentation allowed.		
19	LICENSE PLATES		
20	Motor Vehicle Highway Account (IC 8-14-1)		
21	Total Operating Expense	5,500,000	5,500,000
22	Augmentation allowed.		
23	DEALER INVESTIGATOR EXPENSES		
24	Motor Vehicle Odometer Fund (IC 9-29-1-5)		
25	Total Operating Expense	268,600	268,600
26	Augmentation allowed.		
27	FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION		
28	Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)		
29	Total Operating Expense	9,047,369	9,047,369
30	Augmentation allowed.		
31	ABANDONED VEHICLES		
32	Abandoned Vehicle Fund (IC 9-22-1-28)		
33	Total Operating Expense	37,000	37,000
34	Augmentation allowed.		
35	STATE MOTOR VEHICLE TECHNOLOGY		
36	State Motor Vehicle Technology Fund (IC 9-29-16)		
37	Total Operating Expense	5,203,029	5,203,029
38	Augmentation allowed.		
39			
40	FOR THE DEPARTMENT OF LABOR		
41	Personal Services	962,734	962,734
42	Other Operating Expense	90,400	90,400
43	INDUSTRIAL HYGIENE		
44	Personal Services	1,214,231	1,214,231
45	Other Operating Expense	131,400	131,400
46	BUREAU OF MINES AND MINING		
47	Personal Services	116,646	116,646
48	Other Operating Expense	19,500	19,500
49	M.I.S. RESEARCH AND STATISTICS		

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		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	231,950	231,950	
2	Other Operating Expense	19,450	19,450	
3	OCCUPATIONAL SAFETY AND HEALTH			
4	Personal Services	2,243,377	2,243,377	
5	Other Operating Expense	247,296	247,296	
6				
7	The above funds are appropriated to occupational safety and health, industrial hygiene,			
8	and to management information services research and statistics to provide the total			
9	program cost of the Indiana occupational safety and health plan as approved by the			
10	United States Department of Labor. Inasmuch as the state is eligible to receive			
11	from the federal government fifty percent (50%) of the state's total Indiana occupational			
12	safety and health plan program cost, it is the intention of the general assembly			
13	that the department of labor make application to the federal government for the federal			
14	share of the total program cost. Federal funds received shall be considered a reimbursement			
15	of state expenditures and as such shall be deposited into the state general fund.			
16				
17	EMPLOYMENT OF YOUTH			
18	Special Fund for Employment of Youth (IC 20-8.1-4-31)			
19	Total Operating Expense	74,400	74,400	
20	Augmentation allowed.			
21	BUREAU OF SAFETY EDUCATION AND TRAINING			
22	Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)			
23	Personal Services	809,908	809,908	
24	Other Operating Expense	211,500	211,500	
25	Augmentation allowed.			
26				
27	Federal cost reimbursements for expenses attributable to the Bureau of Safety Education			
28	and Training appropriations shall be deposited into the special fund for safety and			
29	health consultation services.			
30				
31	FOR THE INSURANCE DEPARTMENT			
32	From the General Fund			
33		3,378,116	3,378,116	
34	From the Department of Insurance Fund (IC 27-1-3-28)			
35		2,400,484	2,400,484	
36	Augmentation allowed from the Department of Insurance Fund.			
37				
38	The amounts specified from the General Fund and the Department of Insurance Fund			
39	are for the following purposes:			
40				
41	Personal Services	4,622,885	4,622,885	
42	Other Operating Expense	1,155,715	1,155,715	
43				
44	BAIL BOND DIVISION			
45	Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)			
46	Personal Services	106,634	106,634	
47	Other Operating Expense	25,425	25,425	
48	Augmentation allowed.			
49	PATIENTS' COMPENSATION AUTHORITY			



1	Patients' Compensation Fund (IC 34-18-6-1)		
2	Personal Services	817,882	817,882
3	Other Operating Expense	84,012	84,012
4	Augmentation allowed.		
5	POLITICAL SUBDIVISION RISK MANAGEMENT		
6	Political Subdivision Risk Management Fund (IC 27-1-29-10)		
7	Personal Services	224,030	224,030
8	Other Operating Expense	858,611	858,611
9	Augmentation allowed.		
10	MINE SUBSIDENCE INSURANCE		
11	Mine Subsidence Insurance Fund (IC 27-7-9-7)		
12	Personal Services	136,980	136,980
13	Other Operating Expense	211,353	211,353
14	Augmentation allowed.		
15			
16	FOR THE ALCOHOL AND TOBACCO COMMISSION		
17	From the Enforcement and Administration Fund (IC 7.1-4-10-1)		
18	Personal Services	4,725,529	4,720,236
19	Other Operating Expense	994,935	1,000,635
20	Augmentation allowed.		
21			
22	EXCISE OFFICER TRAINING		
23	Excise Officer Training Fund (IC 5-2-8-8)		
24	Total Operating Expense	7,000	7,000
25	Augmentation allowed from the Excise Officer Training Fund.		
26			
27	FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS		
28	Financial Institutions Fund (IC 28-11-2-9)		
29	Personal Services	5,301,521	5,301,521
30	Other Operating Expense	1,201,155	1,261,155
31	Augmentation allowed.		
32			
33	FOR THE INDIANA LICENSING AGENCY		
34	Personal Services	3,466,214	3,466,214
35	Other Operating Expense	1,493,457	1,493,457
36	Augmentation allowed in amounts not to exceed additional revenue from fee increases		
37	enacted or implemented after January 1, 2003.		
38			
39	EMBALMERS AND FUNERAL DIRECTORS EDUCATION		
40	Embalmers and Funeral Directors Education Fund (IC 25-15-9-13)		
41	Total Operating Expense	5,000	5,000
42	Augmentation allowed.		
43			
44	FOR THE DEPARTMENT OF FIRE AND BUILDING SERVICES		
45	Fire and Building Services Fund (IC 22-12-6-1)		
46	Personal Services	7,899,059	7,899,059
47	Other Operating Expense	1,697,527	1,697,527
48	Augmentation allowed.		
49			

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FOR THE PUBLIC SAFETY TRAINING INSTITUTE

Fire and Building Services Fund (IC 22-12-6-1)

Personal Services	910,510	910,510
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Other Operating Expense	465,195	465,195
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Augmentation allowed.

FOR THE CIVIL RIGHTS COMMISSION

Personal Services	2,093,676	2,093,676
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Other Operating Expense	225,482	225,482
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It is the intention of the general assembly that the civil rights commission shall apply to the federal government for funding based upon the processing of employment and housing discrimination complaints by the civil rights commission. Such federal funds received by the state shall be considered as a reimbursement of state expenditures and shall be deposited into the state general fund.

FOR THE UTILITY CONSUMER COUNSELOR

Public Utility Fund (IC 8-1-6-1)

Personal Services	3,480,922	3,478,335
--------------------------	------------------	------------------

Other Operating Expense	518,079	518,079
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Augmentation allowed.

EXPERT WITNESS FEES AND AUDIT

Public Utility Fund (IC 8-1-6-1)

Total Operating Expense		1,550,000
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Augmentation allowed.

FOR THE UTILITY REGULATORY COMMISSION

Public Utility Fund (IC 8-1-6-1)

Personal Services	4,889,510	4,889,510
--------------------------	------------------	------------------

Other Operating Expense	1,827,094	1,827,094
--------------------------------	------------------	------------------

Augmentation allowed.

FOR THE WORKERS' COMPENSATION BOARD

Personal Services	1,695,469	1,695,469
--------------------------	------------------	------------------

Other Operating Expense	128,141	128,141
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FOR THE STATE BOARD OF ANIMAL HEALTH

Personal Services	3,388,942	3,388,942
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Other Operating Expense	684,468	684,468
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INDEMNITY FUND

Total Operating Expense		49,430
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Augmentation allowed.

MEAT & POULTRY INSPECTION

Total Operating Expense	1,690,926	1,690,926
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FOR THE EMERGENCY MANAGEMENT AGENCY

Personal Services	1,348,773	1,348,773
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Other Operating Expense	321,521	321,521
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EMERGENCY MANAGEMENT AGENCY CONTINGENCY FUND

Total Operating Expense	250,000	250,000
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DIRECTION CONTROL AND WARNING

Total Operating Expense	31,750	31,750
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HAZARD MITIGATION ASSISTANCE PROGRAM

Total Operating Expense	1	1
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Augmentation allowed.

INDIVIDUAL AND FAMILY ASSISTANCE

Total Operating Expense	1	1
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Augmentation allowed.

PUBLIC ASSISTANCE

Total Operating Expense	1	1
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Augmentation allowed.

The above appropriations for the emergency management agency represent the total program cost for civil defense and for emergency medical services for each fiscal year. It is the intent of the general assembly that the emergency management agency apply to the Federal Emergency Management Agency for all federal reimbursement funds for which Indiana is eligible. All funds received shall be deposited into the state general fund.

The above appropriations for the emergency management agency contingency fund are made to the contingency fund under IC 10-4-1-22. The above appropriations shall be in addition to any unexpended balances in the fund as of June 30, 2003.

SECTION 5. [EFFECTIVE JULY 1, 2003]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION

Personal Services	4,456,981	4,456,981
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Other Operating Expense	834,145	834,145
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LEGISLATORS' TREES

Total Operating Expense		1
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ENTOMOLOGY AND PLANT PATHOLOGY DIVISION

Personal Services	675,182	675,182
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Other Operating Expense	182,947	182,947
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ENTOMOLOGY AND PLANT PATHOLOGY FUND (IC 14-24-10-3)

Total Operating Expense		5,760
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Augmentation allowed.

ENGINEERING DIVISION

Personal Services	1,611,070	1,611,070
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Other Operating Expense	71,351	71,351
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STATE MUSEUM

Personal Services	4,453,135	4,453,135
--------------------------	------------------	------------------

Other Operating Expense	2,981,338	2,981,338
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HISTORIC PRESERVATION DIVISION



		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	883,344	883,344	
2	Other Operating Expense	41,125	41,125	
3	STATE HISTORIC SITES			
4	Personal Services	2,042,542	2,042,542	
5	Other Operating Expense	425,515	425,515	
6				
7	From the above appropriations, \$75,000 in each state fiscal year shall be used for			
8	the Grissom Museum.			
9				
10	OUTDOOR RECREATION DIVISION			
11	Personal Services	706,124	706,124	
12	Other Operating Expense	52,400	52,400	
13	NATURE PRESERVES DIVISION			
14	Personal Services	786,478	786,478	
15	Other Operating Expense	52,064	52,064	
16	DEPARTMENT OF NATURAL RESOURCES FINANCIAL MANAGEMENT			
17	Personal Services	118,256	118,256	
18	Other Operating Expense	48,168	48,168	
19	WATER DIVISION			
20	Personal Services	4,601,271	4,601,271	
21	Other Operating Expense	677,484	677,484	
22				
23	All revenues accruing from state and local units of government and from private utilities			
24	and industrial concerns as a result of water resources study projects, and as a result			
25	of topographic and other mapping projects, shall be deposited into the state general			
26	fund, and such receipts are hereby appropriated, in addition to the foregoing amounts,			
27	for water resources studies.			
28				
29	GREAT LAKES COMMISSION			
30	Other Operating Expense	61,000	61,000	
31	DEER RESEARCH AND MANAGEMENT			
32	Deer Research and Management Fund (IC 14-22-5-2)			
33	Total Operating Expense	174,000	174,000	
34	Augmentation allowed.			
35	OIL AND GAS DIVISION			
36	From the General Fund			
37		592,283	592,283	
38	From the Oil and Gas Fund (IC 6-8-1-27)			
39		614,189	614,189	
40	Augmentation allowed from Oil and Gas Fund.			
41				
42	The amounts specified from the General Fund and the Oil and Gas Fund are for the			
43	following purposes:			
44				
45	Personal Services	919,422	919,422	
46	Other Operating Expense	287,050	287,050	
47				
48	STATE PARKS DIVISION			
49	From the General Fund			



1 3,845,734 3,845,734
 2 From the State Parks Special Revenue Fund (IC 14-19-4-2)
 3 14,422,934 14,422,934
 4 Augmentation allowed from State Parks Special Revenue Fund.

5
 6 The amounts specified from the General Fund and the State Parks Special Revenue Fund
 7 are for the following purposes:

9 Personal Services	13,860,926	13,860,926
10 Other Operating Expense	4,407,742	4,407,742

11
 12 **SNOWMOBILE/OFFROAD VEHICLE LICENSING**
 13 Snowmobile/Offroad Licensing Fund (IC 14-16-2-8)
 14 Total Operating Expense 139,908 139,908
 15 Augmentation allowed.

16 **LAW ENFORCEMENT DIVISION**
 17 From the General Fund
 18 9,259,433 9,351,852
 19 From the Fish and Wildlife Fund (IC 14-22-3-2)
 20 10,765,810 10,889,931
 21 Augmentation allowed from the Fish and Wildlife Fund.

22
 23 The amounts specified from the General Fund and the Fish and Wildlife Fund are for
 24 the following purposes:

26 Personal Services	16,433,728	16,420,482
27 Other Operating Expense	3,591,515	3,821,301

28
 29 **FISH AND WILDLIFE DIVISION**
 30 Fish and Wildlife Fund (IC 14-22-3-2)
 31 Personal Services 11,696,166 11,696,166
 32 Other Operating Expense 4,056,937 4,056,937
 33 Augmentation allowed.

34 **FORESTRY DIVISION**
 35 From the General Fund
 36 482,925 482,925
 37 From the Division of Forestry Fund (IC 14-23-3-2)
 38 8,890,840 8,890,840
 39 Augmentation allowed from the Division of Forestry Fund.

40
 41 The amounts specified from the General Fund and the Division of Forestry Fund are
 42 for the following purposes:

44 Personal Services	7,757,173	7,757,173
45 Other Operating Expense	1,616,592	1,616,592

46
 47 All money expended by the division of forestry of the department of natural resources
 48 for the detention and suppression of forest, grassland, and wasteland fires shall
 49 be through the enforcement division of the department, and the employment with such



money of all personnel, with the exception of emergency labor, shall be in accordance with IC 14-9-8.

RESERVOIR MANAGEMENT DIVISION

From the General Fund

2,208,808	2,208,808
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From the Reservoir Special Revenue Fund (IC 14-19-5-2)

6,121,343	6,121,343
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Augmentation allowed from the Reservoir Special Revenue Fund.

The amounts specified from the General Fund and the Reservoir Special Revenue Fund are for the following purposes:

Personal Services	6,583,687	6,583,687
Other Operating Expense	1,746,464	1,746,464

RECLAMATION DIVISION

From the General Fund

34,992	34,992
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From the Natural Resources Reclamation Fund (IC 14-34-14-2)

4,930,523	4,930,523
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Augmentation allowed from the Natural Resources Reclamation Fund.

The amounts specified from the General Fund and the Natural Resources Reclamation Fund are for the following purposes:

Personal Services	4,284,896	4,284,896
Other Operating Expense	680,619	680,619

In addition to any of the foregoing appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

SOIL CONSERVATION DIVISION - T BY 2000

Cigarette Tax Fund (IC 6-7-1-29.1)

Personal Services	3,652,092	3,652,092
Other Operating Expense	2,043,828	2,043,828

Augmentation allowed.

LAKE AND RIVER ENHANCEMENT

Lake and River Enhancement Fund (IC 6-6-11-12.5)

Total Operating Expense	2,200,000
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Augmentation allowed.

B. OTHER NATURAL RESOURCES



FOR THE WORLD WAR MEMORIAL COMMISSION

Personal Services	677,754	677,754
Other Operating Expense	174,327	174,327

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be paid into the general fund. The American Legion shall provide for the complete maintenance of the interior of these buildings.

FOR THE WHITE RIVER PARK COMMISSION

Total Operating Expense	1,336,699	1,336,699
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FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	70,029	70,029
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FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	75,000	75,000
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C. ENVIRONMENTAL MANAGEMENT

**FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
ADMINISTRATION**

From the General Fund

4,350,539	4,350,539
------------------	------------------

From the State Solid Waste Management Fund (IC 13-20-22-2)

197,971	197,971
----------------	----------------

From the Title V Operating Permit Trust Fund (IC 13-17-8-1)

700,306	700,306
----------------	----------------

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

951,633	951,633
----------------	----------------

From the Environmental Management Special Fund (IC 13-14-12-1)

140,553	140,553
----------------	----------------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

351,937	351,937
----------------	----------------

From the Asbestos Trust Fund (IC 13-17-6-3)

48,579	48,579
---------------	---------------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

73,591	73,591
---------------	---------------

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

1,396,584	1,396,584
------------------	------------------

Augmentation allowed from the State Solid Waste Management Fund, Title V Operating Permit Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund for FY 2004 and FY 2005 employee salary and benefit increases only.

The amounts specified from the General Fund, the State Solid Waste Management Fund,



the Title V Operating Permit Trust Fund, the Environmental Management Permit Operation Fund, Environmental Management Special Fund, the Hazardous Substances Response Trust Fund, the Asbestos Trust Fund, the Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

Personal Services	5,652,772	5,652,772
Other Operating Expense	2,558,921	2,558,921

LABORATORY CONTRACTS

General Fund

	830,670	830,670
Environmental Management Special Fund (IC 13-14-12-1)		
	445,211	445,211
Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
	1,317,996	1,317,996

Augmentation allowed from the Environmental Management Special Fund and the Hazardous Substances Response Trust Fund.

The amounts specified from the General Fund, Environmental Management Special Fund, and the Hazardous Substance Response Trust Fund are for the following purpose:

Total Operating Expense	2,593,877	2,593,877
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NORTHWEST REGIONAL OFFICE

From the General Fund

	479,911	479,911
From the State Solid Waste Management Fund (IC 13-20-22-2)		
	3,471	3,471
From the Title V Operating Permit Trust Fund (IC 13-17-8-1)		
	416,713	416,713
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
	167,931	167,931
From the Environmental Management Special Fund (IC 13-14-12-1)		
	36,840	36,840
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
	9,369	9,369
From the Asbestos Trust Fund (IC 13-17-6-3)		
	54,257	54,257
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
	7,498	7,498
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
	22,450	22,450

Augmentation allowed from the State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.



The amounts specified from the General Fund, State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	1,060,531	1,060,531
Other Operating Expense	137,909	137,909

NORTHERN REGIONAL OFFICE

From the General Fund

332,772	332,772
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From the State Solid Waste Management Fund (IC 13-20-22-2)

60,474	60,474
--------	--------

From the Title V Operating Permit Trust Fund (IC 13-17-8-1)

321,340	321,340
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From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

164,656	164,656
---------	---------

From the Environmental Management Special Fund (IC 13-14-12-1)

10,054	10,054
--------	--------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

18,622	18,622
--------	--------

From the Asbestos Trust Fund (IC 13-17-6-3)

2,095	2,095
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From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

1,929	1,929
-------	-------

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

44,361	44,361
--------	--------

Augmentation allowed from the State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.

The amounts specified from the General Fund, State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	781,844	781,844
Other Operating Expense	174,459	174,459

SOUTHWEST REGIONAL OFFICE

From the General Fund

348,205	348,205
---------	---------

From the State Solid Waste Management Fund (IC 13-20-22-2)

102,876	102,876
---------	---------

From the Title V Operating Permit Trust Fund (IC 13-17-8-1)



1	138,058	138,058
2	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
3	173,892	173,892
4	From the Environmental Management Special Fund (IC 13-14-12-1)	
5	33,991	33,991
6	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
7	18,731	18,731
8	From the Asbestos Trust Fund (IC 13-17-6-3)	
9	5,439	5,439
10	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
11	2,297	2,297
12	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)	
13	44,759	44,759
14	Augmentation allowed from the State Solid Waste Management Fund, Title V Operating	
15	Trust Fund, Environmental Management Permit Operation Fund, Environmental Management	
16	Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground	
17	Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess	
18	Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.	

The amounts specified from the General Fund, State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	682,287	682,287
Other Operating Expense	185,961	185,961

LEGAL AFFAIRS

30	From the General Fund	
31	780,753	780,753
32	From the State Solid Waste Management Fund (IC 13-20-22-2)	
33	3,078	3,078
34	From the Title V Operating Permit Trust Fund (IC 13-17-8-1)	
35	381,854	381,854
36	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
37	450,629	450,629
38	From the Environmental Management Special Fund (IC 13-14-12-1)	
39	27,476	27,476
40	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
41	16,159	16,159
42	From the Asbestos Trust Fund (IC 13-17-6-3)	
43	59,392	59,392
44	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
45	12,664	12,664
46	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)	
47	10,249	10,249
48	Augmentation allowed from the State Solid Waste Management Fund, Title V Operating	
49	Trust Fund, Environmental Management Permit Operation Fund, Environmental Management	



Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.

The amounts specified from the General Fund, State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	1,585,645	1,585,645
Other Operating Expense	156,609	156,609

ENFORCEMENT

From the General Fund

1,012,614	1,012,614
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From the State Solid Waste Management Fund (IC 13-20-22-2)

3,541	3,541
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From the Title V Operating Permit Trust Fund (IC 13-17-8-1)

336,995	336,995
----------------	----------------

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

416,176	416,176
----------------	----------------

From the Environmental Management Special Fund (IC 13-14-12-1)

31,435	31,435
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From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

18,657	18,657
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From the Asbestos Trust Fund (IC 13-17-6-3)

67,946	67,946
---------------	---------------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

14,489	14,489
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From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

11,729	11,729
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Augmentation allowed from the State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.

The amounts specified from the General Fund, State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	1,825,380	1,825,380
Other Operating Expense	88,202	88,202

INVESTIGATIONS

From the General Fund



1	216,829	216,829
2	From the State Solid Waste Management Fund (IC 13-20-22-2)	
3	1,168	1,168
4	From the Title V Operating Permit Trust Fund (IC 13-17-8-1)	
5	110,936	110,936
6	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
7	137,006	137,006
8	From the Environmental Management Special Fund (IC 13-14-12-1)	
9	10,346	10,346
10	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
11	6,141	6,141
12	From the Asbestos Trust Fund (IC 13-17-6-3)	
13	22,367	22,367
14	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
15	4,771	4,771
16	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)	
17	3,863	3,863
18	Augmentation allowed from the State Solid Waste Management Fund, Title V Operating	
19	Trust Fund, Environmental Management Permit Operation Fund, Environmental Management	
20	Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground	
21	Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess	
22	Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.	

The amounts specified from the General Fund, State Solid Waste Management Fund, Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

30	Personal Services	326,041	326,041
31	Other Operating Expense	187,386	187,386

PLANNING AND ASSESSMENT

34	From the General Fund	
35	492,280	492,280
36	From the State Solid Waste Management Fund (IC 13-20-22-2)	
37	20,840	20,840
38	From the Title V Operating Permit Trust Fund (IC 13-17-8-1)	
39	64,913	64,913
40	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
41	80,865	80,865
42	From the Environmental Management Special Fund (IC 13-14-12-1)	
43	13,212	13,212
44	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
45	34,756	34,756
46	From the Asbestos Trust Fund (IC 13-17-6-3)	
47	4,503	4,503
48	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
49	7,223	7,223



1 From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
2 137,077 137,077
3 Augmentation allowed from the State Solid Waste Management Fund, Title V Operating
4 Trust Fund, Environmental Management Permit Operation Fund, Environmental Management
5 Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground
6 Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess
7 Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.
8

9 The amounts specified from the General Fund, State Solid Waste Management Fund,
10 Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental
11 Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust
12 Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum
13 Storage Tank Excess Liability Trust Fund are for the following purposes:
14

15 Personal Services	834,169	834,169
16 Other Operating Expense	21,500	21,500

17
18 **MEDIA AND COMMUNICATIONS**

19 From the General Fund
20 317,515 317,515
21 From the State Solid Waste Management Fund (IC 13-20-22-2)
22 17,833 17,833
23 From the Title V Operating Permit Trust Fund (IC 13-17-8-1)
24 55,547 55,547
25 From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
26 69,197 69,197
27 From the Environmental Management Special Fund (IC 13-14-12-1)
28 11,305 11,305
29 From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
30 29,741 29,741
31 From the Asbestos Trust Fund (IC 13-17-6-3)
32 3,853 3,853
33 From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
34 6,181 6,181
35 From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
36 117,299 117,299
37 Augmentation allowed from the State Solid Waste Management Fund, Title V Operating
38 Trust Fund, Environmental Management Permit Operation Fund, Environmental Management
39 Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground
40 Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess
41 Liability Trust Fund for FY 2004 and FY 2005 employee salary and benefit increases only.
42

43 The amounts specified from the General Fund, State Solid Waste Management Fund,
44 Title V Operating Trust Fund, Environmental Management Permit Operation Fund, Environmental
45 Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust
46 Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum
47 Storage Tank Excess Liability Trust Fund are for the following purposes:
48

49 Personal Services	576,171	576,171
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1	Other Operating Expense	52,300	52,300
2			
3	PUBLIC POLICY AND PLANNING		
4	From the General Fund		
5	205,267	205,267	
6	From the State Solid Waste Management Fund (IC 13-20-22-2)		
7	16,536	16,536	
8	From the Title V Operating Permit Trust Fund (IC 13-17-8-1)		
9	51,508	51,508	
10	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
11	64,166	64,166	
12	From the Environmental Management Special Fund (IC 13-14-12-1)		
13	10,484	10,484	
14	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
15	27,579	27,579	
16	From the Asbestos Trust Fund (IC 13-17-6-3)		
17	3,573	3,573	
18	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
19	5,731	5,731	
20	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
21	108,771	108,771	
22	Augmentation allowed from the State Solid Waste Management Fund, Title V Operating		
23	Permit Trust Fund, Environmental Management Permit Operation Fund, Environmental		
24	Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust		
25	Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum		
26	Storage Tank Excess Liability Fund for FY 2004 and FY 2005 employee salary and benefit		
27	increases only.		
28			
29	The amounts specified from the General Fund, the State Solid Waste Management Fund,		
30	the Title V Operating Permit Trust Fund, the Environmental Management Permit Operation		
31	Fund, Environmental Management Special Fund, the Hazardous Substances Response Trust		
32	Fund, the Asbestos Trust Fund, the Underground Petroleum Storage Tank Trust Fund,		
33	and the Underground Petroleum Storage Tank Excess Liability Fund are for the following		
34	purposes:		
35			
36	Personal Services	444,400	444,400
37	Other Operating Expense	49,215	49,215
38			
39	OHIO RIVER VALLEY WATER SANITATION COMMISSION		
40	Environmental Management Special Fund (IC 13-14-12-1)		
41	Total Operating Expense	242,900	242,900
42	Augmentation allowed.		
43	OFFICE OF ENVIRONMENTAL RESPONSE		
44	Personal Services	1,986,571	1,986,571
45	Other Operating Expense	619,069	619,069
46	POLLUTION PREVENTION AND TECHNICAL ASSISTANCE		
47	Personal Services	1,056,692	1,056,692
48	Other Operating Expense	298,826	298,826
49	PCB INSPECTIONS		



1	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
2	Total Operating Expense	40,000	40,000
3	Augmentation allowed.		
4	U.S. GEOLOGICAL SURVEY CONTRACTS		
5	Environmental Management Special Fund (IC 13-14-12-1)		
6	Total Operating Expense	62,890	62,890
7	Augmentation allowed.		
8	STATE SOLID WASTE GRANTS MANAGEMENT		
9	State Solid Waste Management Fund (IC 13-20-22-2)		
10	Personal Services	236,987	236,987
11	Other Operating Expense	1,372,630	1,372,630
12	Augmentation allowed.		
13	VOLUNTARY CLEAN-UP PROGRAM		
14	Voluntary Remediation Fund (IC 13-25-5-21)		
15	Personal Services	636,512	636,512
16	Other Operating Expense	551,500	551,500
17	Augmentation allowed.		
18	TITLE V AIR PERMIT PROGRAM		
19	Title V Operating Permit Trust Fund (IC 13-17-8-1)		
20	Personal Services	5,537,684	5,537,684
21	Other Operating Expense	3,592,609	3,174,989
22	Augmentation allowed.		
23	WATER MANAGEMENT PERMITTING		
24	From the General Fund		
25	1,854,641	1,854,641	
26	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
27	3,950,000	3,950,000	
28	Augmentation allowed from the Environmental Management Permit Operation Fund.		
29			
30	The amounts specified from the General Fund and the Environmental Management Permit		
31	Operation Fund are for the following purposes:		
32			
33	Personal Services	4,856,814	4,856,814
34	Other Operating Expense	947,827	947,827
35			
36	SOLID WASTE MANAGEMENT PERMITTING		
37	From the General Fund		
38	1,990,625	1,990,625	
39	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
40	2,967,769	2,967,769	
41	Augmentation allowed from the Environmental Management Permit Operation Fund.		
42			
43	The amounts specified from the General Fund and the Environmental Management Permit		
44	Operation Fund are for the following purposes:		
45			
46	Personal Services	4,556,623	4,556,623
47	Other Operating Expense	401,771	401,771
48			
49	HAZARDOUS WASTE MANAGEMENT PERMITTING		



1 From the General Fund
 2 2,469,511 2,469,511
 3 From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
 4 2,844,043 2,844,043
 5 Augmentation allowed from the Environmental Management Permit Operation Fund.
 6

7 The amounts specified from the General Fund and the Environmental Management Permit
 8 Operation Fund are for the following purposes:
 9

10	Personal Services	4,172,589	4,172,589
11	Other Operating Expense	1,140,965	1,140,965

12
13 **WATERSHED MANAGEMENT**

14	Environmental Management Special Fund (IC 13-14-12-1)		
15	Total Operating Expense	24,038	24,038
16	Augmentation allowed.		

17 **CLEAN VESSEL PUMPOUT**

18	Environmental Management Special Fund (IC 13-14-12-1)		
19	Total Operating Expense	58,300	58,300
20	Augmentation allowed.		

21 **GROUNDWATER PROGRAM**

22	Total Operating Expense	274,902	274,902
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23 **UNDERGROUND STORAGE TANK PROGRAM**

24	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
25	Total Operating Expense	291,037	291,037
26	Augmentation allowed.		

27 **AIR MANAGEMENT OPERATING**

28 From the General Fund
 29 923,961 891,310
 30 From the Environmental Management Special Fund (IC 13-14-12-1)
 31 1,626,039 1,658,690
 32 Augmentation allowed from the Environmental Management Special Fund.
 33

34 The amounts specified from the General Fund and the Environmental Management Special
 35 Fund are for the following purposes:
 36

37	Personal Services	1,678,608	1,678,608
38	Other Operating Expense	871,392	871,392

39
40 **WATER MANAGEMENT NON-PERMITTING**

41	Personal Services	3,023,737	3,023,737
42	Other Operating Expense	574,209	574,209

43 **GREAT LAKES INITIATIVE**

44	Environmental Management Special Fund (IC 13-14-12-1)		
45	Total Operating Expense	94,958	94,958
46	Augmentation allowed.		

47 **OPERATOR TRAINING**

48	Total Operating Expense	42,301	42,301
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49 **SAFE DRINKING WATER**



1 From the General Fund

2 541,286 541,286

3 From the Environmental Management Special Fund (IC 13-14-12-1)

4 44,926 44,926

5 Augmentation allowed from the Environmental Management Special Fund.

6

7 The amounts specified from the General Fund and the Environmental Management Special

8 Fund are for the following purposes:

9

10	Personal Services	434,183	434,183
11	Other Operating Expense	152,029	152,029

12

13 **LEAKING UNDERGROUND STORAGE TANKS**

14 Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

15	Personal Services	117,257	117,257
16	Other Operating Expense	44,109	44,109

17 Augmentation allowed.

18 **CORE SUPERFUND**

19 Hazardous Substances Response Trust Fund (IC 13-25-4-1)

20	Total Operating Expense	136,122	136,122
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21 Augmentation allowed.

22 **AUTO EMISSIONS TESTING PROGRAM**

23 General Fund

24	Personal Services	139,166	0
25	Other Operating Expense	4,497,911	0

26 Auto Emissions Testing Fund

27	Personal Services	99,405	238,571
28	Other Operating Expense	3,212,794	7,743,356

29 Augmentation allowed.

30 **HAZARDOUS WASTE SITE - STATE CLEAN-UP**

31 Hazardous Substances Response Trust Fund (IC 13-25-4-1)

32	Personal Services	893,093	893,093
33	Other Operating Expense	1,323,811	1,323,811

34 Augmentation allowed.

35 **HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES**

36 Hazardous Substances Response Trust Fund (IC 13-25-4-1)

37	Personal Services	118,367	118,367
38	Other Operating Expense	680,991	680,991

39 Augmentation allowed.

40 **SUPERFUND MATCH**

41 Hazardous Substances Response Trust Fund (IC 13-25-4-1)

42	Total Operating Expense	354,985	354,985
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43 Augmentation allowed.

44 **HOUSEHOLD HAZARDOUS WASTE**

45 Hazardous Substances Response Trust Fund (IC 13-25-4-1)

46	Personal Services	39,693	39,693
47	Other Operating Expense	443,816	443,816

48 Augmentation allowed.

49 **ASBESTOS TRUST - OPERATING**



1	Asbestos Trust Fund (IC 13-17-6-3)		
2	Personal Services	523,723	523,723
3	Other Operating Expense	150,384	150,384
4	Augmentation allowed.		
5	UNDERGROUND PETROLEUM STORAGE TANK - OPERATING		
6	Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
7	Personal Services	161,161	161,161
8	Other Operating Expense	48,026,000	48,026,000
9	Augmentation allowed.		
10	WASTE TIRE MANAGEMENT		
11	Waste Tire Management Fund (IC 13-20-13-8)		
12	Total Operating Expense	100,000	100,000
13	Augmentation allowed.		
14	VOLUNTARY COMPLIANCE		
15	Environmental Management Special Fund (IC 13-14-12-1)		
16	Personal Services	202,929	202,929
17	Other Operating Expense	217,737	217,737
18	Augmentation allowed.		
19	ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING		
20	Environmental Management Special Fund (IC 13-14-12-1)		
21	Total Operating Expense	1,100,000	1,100,000
22	Augmentation allowed.		
23	SMALL TOWN COMPLIANCE		
24	Environmental Management Special Fund (IC 13-14-12-1)		
25	Total Operating Expense	60,000	60,000
26	Augmentation allowed.		
27	WETLANDS PROTECTION		
28	Environmental Management Special Fund (IC 13-14-12-1)		
29	Total Operating Expense	50,709	50,709
30	Augmentation allowed.		
31	PETROLEUM TRUST - OPERATING		
32	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
33	Personal Services	226,961	226,961
34	Other Operating Expense	462,885	462,885
35	Augmentation allowed.		
36	LEAD BASED PAINT ACTIVITIES PROGRAM		
37	Lead Trust Fund (IC 13-17-14-6)		
38	Total Operating Expense	23,500	23,500
39	Augmentation allowed.		

Notwithstanding any other law, with the approval of the governor and the budget agency, the above appropriations for water management permitting, hazardous waste management permitting, wetlands protection, watershed management, groundwater program, underground storage tank program, air management operating, lead-based paint activities program, water management non-permitting, coastal management (pollution prevention incentives), and safe drinking water may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the Department of Environmental Management.



FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION

Personal Services	205,722	205,722
Other Operating Expense	100,723	100,723

FOR THE CLEAN MANUFACTURING TECHNOLOGY BOARD

Total Operating Expense	475,000	475,000
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SECTION 6. [EFFECTIVE JULY 1, 2003]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE LIEUTENANT GOVERNOR

OFFICE OF THE COMMISSIONER OF AGRICULTURE

Personal Services	1,359,749	1,359,749
Other Operating Expense	251,202	251,202

VALUE ADDED RESEARCH FUND

Total Operating Expense	257,957	257,957
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FARM COUNSELING PROGRAM

Total Operating Expense	279,000	279,000
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LAND RESOURCES COUNCIL

Total Operating Expense		301,266
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B. COMMERCE

FOR THE DEPARTMENT OF COMMERCE

ADMINISTRATIVE AND FINANCIAL SERVICES

From the General Fund

4,224,726	4,224,726
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From the Skills 2016 Fund

142,073	142,073
---------	---------

From the Industrial Development Grant Fund

48,124	48,124
--------	--------

The amounts specified from the General Fund, Skills 2016, and Industrial Development Grant Fund are for the following purposes:

Personal Services	2,852,663	2,852,663
Other Operating Expense	1,562,260	1,562,260

COMMUNITY ECONOMIC DEVELOPMENT

Personal Services	4,770,872	4,770,872
Other Operating Expense	1,301,531	1,301,531

INTERNATIONAL TRADE

Total Operating Expense	1,394,676	1,394,676
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RECYCLING OPERATING

Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

Personal Services	48,124	48,124
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1	Other Operating Expense	183,358	183,358
2	Augmentation allowed for FY 2004 and FY 2005 employee salary and benefit increases		
3	only.		
4	ENTERPRISE ZONE PROGRAM		
5	Indiana Enterprise Zone Fund (IC 4-4-6.1-2.3)		
6	Total Operating Expense	339,118	339,118
7	Augmentation allowed.		
8	STATE ENERGY PROGRAM		
9	Total Operating Expense	96,794	96,794
10	INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS		
11	Total Operating Expense	900,000	900,000
12			
13	The department shall collect and report to the family and social services administration		
14	(FSSA) all data required for FSSA to meet the data collection and reporting requirements		
15	in 45 CFR Part 265.		
16			
17	Family and social services administration, division of family and children shall		
18	apply all qualifying expenditures for individual development accounts deposits toward		
19	Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families		
20	(TANF) program (45 CFR 260 et seq.).		
21			
22	LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/		
23	REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION		
24	(LEDO/REDO) MATCHING GRANT PROGRAM		
25	Total Operating Expense		1,900,000
26	SKILLS 2016		
27	Total Operating Expense		23,137,450
28	BUSINESS AND TOURISM PROMOTION FUND		
29	Total Operating Expense		9,747,290
30	RECYCLING PROMOTION AND ASSISTANCE PROGRAM		
31	Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)		
32	Total Operating Expense	1,500,000	1,500,000
33	Augmentation allowed.		
34			
35	TRADE PROMOTION FUND		
36	Total Operating Expense	200,000	200,000
37	ECONOMIC DEVELOPMENT FUND		
38	Total Operating Expense		1,200,000
39	INDUSTRIAL DEVELOPMENT GRANT FUND		
40	Total Operating Expense		6,500,000
41	ECONOMIC DEVELOPMENT COUNCIL		
42	Total Operating Expense	309,225	309,225
43	INDIANA DEVELOPMENT FINANCE AUTHORITY (IDFA)		
44	CAPITAL ACCESS PROGRAM		
45	Total Operating Expense		1,242,500
46			
47	Notwithstanding the provisions of P.L. 273-1999, that portion of the appropriation		
48	for the capital access program allocated for licensed child care facilities may be		
49	used for other uses permitted under IC 4-4-26.		



ENVIRONMENTAL REMEDIATION REVOLVING LOAN FUND

Total Operating Expense	1,000,000
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The state budget agency shall develop a program using up to \$20,000,000 in resources from the Wastewater Revolving Loan Fund to supplement the Environmental Remediation Revolving Loan Fund. The program shall be designed to be consistent with existing requirements of any trust indenture or related documents securing the Wastewater Revolving Loan Fund and federal law.

PROJECT GUARANTY FUND

Total Operating Expense	1,800,000
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Notwithstanding the provisions of P.L. 273-1999, that portion of the appropriation for the project guaranty fund allocated for creation of a debt reserve service fund for the purpose of allowing the authority to issue pooled bonds for the construction or renovation of licensed child care facilities may be used for other uses permitted under IC 4-4-11-16.

BUSINESS DEVELOPMENT LOAN FUND

Total Operating Expense	2,000,000
--------------------------------	------------------

C. COMMUNITY SERVICES

**FOR THE GOVERNOR'S COMMISSION ON
COMMUNITY SERVICE AND VOLUNTEERISM**

Personal Services	237,396	237,396
Other Operating Expense	89,517	89,517

D. EMPLOYMENT SERVICES

**FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT
ADMINISTRATION**

Total Operating Expense	1,144,950	1,144,950
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STATE WORKFORCE DEVELOPMENT FUND

Total Operating Expense	2,547,770	2,547,770
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WOMEN'S COMMISSION

Personal Services	104,616	104,616
Other Operating Expense	7,724	7,724

SECTION 7. [EFFECTIVE JULY 1, 2003]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

For the conduct and operation of the department of transportation, the following sums are appropriated for the periods designated, from the state general fund, the public mass transportation fund, the industrial rail service fund, the state highway



fund, the motor vehicle highway account, the distressed road fund, the state highway road construction and improvement fund, the motor carrier regulation fund, and the crossroads 2000 fund.

PLANNING AND ADMINISTRATION

From the State Highway Fund (IC 8-23-9-54)

516,673	516,673
---------	---------

From the Public Mass Transportation Fund (IC 8-23-3-8)

202,176	202,176
---------	---------

From the Industrial Rail Service Fund (IC 8-3-1.7-2)

29,952	29,952
--------	--------

Augmentation allowed from the Public Mass Transportation Fund, Industrial Rail Service Fund, and State Highway Fund for FY 2004 and FY 2005 employee salary and benefit increases only.

The amounts specified from the Public Mass Transportation Fund, Industrial Rail Service Fund, and State Highway Fund are for the following purposes:

Personal Services	571,981	571,981
Other Operating Expense	176,820	176,820

The above appropriations may be used to match federal funds available for planning and administration of transportation in Indiana.

INTERMODAL OPERATING

From the State Highway Fund (IC 8-23-9-54)

491,613	491,613
---------	---------

From the Public Mass Transportation Fund (IC 8-23-3-8)

339,656	339,656
---------	---------

From the Industrial Rail Service Fund (IC 8-3-1.7-2)

339,656	339,656
---------	---------

Augmentation allowed from the State Highway Fund, Public Mass Transportation Fund and Industrial Rail Service Fund for FY 2004 and FY 2005 employee salary and benefit increases only.

The amounts specified from the State Highway Fund, the Public Mass Transportation Fund, and the Industrial Rail Service Fund are for the following purposes:

Personal Services	979,022	979,022
Other Operating Expense	191,903	191,903

INTERMODAL GRANT PROGRAM

Department of Transportation Administration Fund

Total Operating Expense	42,000	42,000
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Public Mass Transportation Fund (IC 8-23-3-8)

Total Operating Expense	37,500	37,500
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Augmentation allowed from Public Mass Transportation Fund.

RAILROAD GRADE CROSSING IMPROVEMENT

Total Operating Expense	465,000	465,000
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PUBLIC MASS TRANSPORTATION

Public Mass Transportation Fund (IC 8-23-3-8)

Matching Funds	29,555,438	30,320,229
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Augmentation allowed.

The appropriations are to be used solely for the promotion and development of public transportation. The department of transportation shall allocate funds based on a formula approved by the commissioner of the department of transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 1601, et seq.), or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency after review by the budget committee and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

HIGHWAY OPERATING

State Highway Fund (IC 8-23-9-54)

Personal Services	206,601,190	206,601,190
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Other Operating Expense	42,446,379	42,446,379
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The above appropriations for highway operating may be used for personal services, equipment, and other operating expense, including the cost of transportation for the governor.

HIGHWAY BUILDINGS AND GROUNDS

State Highway Fund (IC 8-23-9-54)

Total Operating Expense		23,287,344
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The above appropriations for highway buildings and grounds may be used for land acquisition, site development, construction and equipping of new highway facilities and for maintenance, repair, and rehabilitation of existing state highway facilities.

HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT

State Highway Fund (IC 8-23-9-54)

Other Operating Expense	19,500,000	19,500,000
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HIGHWAY MAINTENANCE WORK PROGRAM

State Highway Fund (IC 8-23-9-54)

Other Operating Expense	70,420,000	70,420,000
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The above appropriations for the highway maintenance work program may be used for:
(1) materials for patching roadways and shoulders;



- (2) repairing and painting bridges;
- (3) installing signs and signals and painting roadways for traffic control;
- (4) mowing, herbicide application, and brush control;
- (5) drainage control;
- (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
- (7) materials for snow and ice removal;
- (8) utility costs for roadway lighting; and
- (9) other special maintenance and support activities consistent with the highway maintenance work program.

HIGHWAY CAPITAL IMPROVEMENTS

State Highway Fund (IC 8-23-9-54)

Right of Way Expense	11,340,000	11,660,000
Formal Contracts Expense	100,511,379	96,449,840
Consulting Service Expense	25,500,000	27,500,000
State Facilities Road Improvements	5,000,000	5,000,000

The above appropriations for state facilities road improvements shall be used to fund improvements to roads, driveways, parking lots, and other small structures on properties owned or operated by the department of health, department of corrections, or the family and social services administration. The department shall provide the state budget agency written notification of the projects to be completed during calendar years 2003, 2004, and 2005.

The above appropriations for the capital improvements program may be used for:

- (1) bridge rehabilitation and replacement;
- (2) road construction, reconstruction, or replacement;
- (3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
- (4) relocation and modernization of existing roads;
- (5) resurfacing;
- (6) erosion and slide control;
- (7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
- (8) small structure replacements;
- (9) safety and spot improvements; and
- (10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

The foregoing appropriations for highway operating, highway vehicles and road maintenance equipment, highway buildings and grounds, the highway planning and research program, the highway maintenance work program, and highway capital improvements are appropriated from estimated revenues which include the following:

- (1) Funds distributed to the state highway fund from the motor vehicle highway account under IC 8-14-1-3(4).
- (2) Funds distributed to the state highway fund from the highway, road, and street fund under IC 8-14-2-3.
- (3) All fees and miscellaneous revenues deposited in or accruing to the state highway



fund under IC 8-23-9-54.

(4) Any unencumbered funds carried forward in the state highway fund from any previous fiscal year.

(5) All other funds appropriated or made available to the department by the general assembly.

If funds from sources set out above for the department exceed appropriations from those sources to the department, the excess amount is hereby appropriated to be used at the discretion of the department with approval of the governor and the budget agency for formal contracts expense.

If there is a change in a statute reducing or increasing revenue for department use, the budget agency shall notify the auditor of state to adjust the above appropriations to reflect the estimated increase or decrease. Upon the request of the department, the budget agency, with the approval of the governor, may allot any increase in appropriations to the department.

No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

HIGHWAY PLANNING AND RESEARCH PROGRAM

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	3,250,000	3,250,000
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STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM

Highway Road Construction and Improvement Fund (IC 8-14-10-5)

Formal Contracts Expense	31,900,000	28,400,000
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Lease Rental Payments Expense	34,400,000	39,000,000
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Augmentation allowed.

The above appropriations for the state highway road construction and improvement program are appropriated from the state highway road construction and improvement fund provided in IC 8-14-10-5 and may include any unencumbered funds carried forward from any previous fiscal year. The funds may be used for:

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, grade separations;
- (3) relocation and modernization of existing roads;
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects; and
- (5) payment of rentals and leases relating to projects under IC 8-14.5.

CROSSROADS 2000 PROGRAM

Crossroads 2000 Fund (IC 8-14-10-9)

Lease Rental Payments Expense	36,800,000	37,200,000
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Augmentation allowed.

FEDERAL APPORTIONMENT

Right-of-Way Expense	45,360,000	46,640,000
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1	Formal Contracts Expense	316,740,000	322,460,000
2	Consulting Engineers Expense	39,500,000	37,500,000
3	Highway Planning and Research	13,000,000	13,000,000
4	Local Government Revolving Acct.	158,332,000	160,000,000
5	Formal Contracts - SHRCIF	60,000,000	60,000,000

6
7 The department may establish an account to be known as the "local government revolving
8 account". The account is to be used to administer the federal-local highway construction
9 program. All contracts issued and all funds received for federal-local projects under
10 this program shall be entered into this account.

11
12 If the federal apportionments for the fiscal years covered by this act exceed the
13 above estimated appropriations for the department or for local governments, the excess
14 federal apportionment is hereby appropriated for use by the department with the approval
15 of the governor and the budget agency.

16
17 The department shall bill, in a timely manner, the federal government for all department
18 payments that are eligible for total or partial reimbursement.

19
20 The department may let contracts and enter into agreements for construction and preliminary
21 engineering during each year of the 2003-2005 biennium that obligate not more than
22 one-third (1/3) of the amount of state funds estimated by the department to be available
23 for appropriation in the following year for formal contracts and consulting engineers
24 for the capital improvements program.

25
26 Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct
27 and maintain roadside parks and highways where highways will connect any state highway
28 now existing, or hereafter constructed, with any state park, state forest preserve,
29 state game preserve, or the grounds of any state institution. There is appropriated
30 to the department of transportation an amount sufficient to carry out the provisions
31 of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from
32 the motor vehicle highway account before distribution to local units of government.

33 34 **LOCAL TECHNICAL ASSISTANCE AND RESEARCH**

35
36 Under IC 8-14-1-3(6), there is appropriated to the department of transportation an
37 amount sufficient for:

- 38 (1) the program of technical assistance under IC 8-23-2-5(6); and
39 (2) the research and highway extension program conducted for local government under
40 IC 8-17-7-4.

41
42 The department shall develop an annual program of work for research and extension
43 in cooperation with those units being served, listing the types of research and educational
44 programs to be undertaken. The commissioner of the department of transportation may
45 make a grant under this appropriation to the institution or agency selected to conduct
46 the annual work program. Under IC 8-14-1-3(6), appropriations for the program of
47 technical assistance and for the program of research and extension shall be taken
48 from the local share of the motor vehicle highway account.



Under IC 8-14-1-3(7) there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

- (1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
- (2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

SECTION 8. [EFFECTIVE JULY 1, 2003]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE STATE BUDGET AGENCY

FSSA/DEPARTMENT OF HEALTH INSTITUTIONAL CONTINGENCY FUND

Total Operating Expense	1,800,000
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The above institutional contingency fund shall be allotted upon the recommendation of the budget agency with approval of the governor. This appropriation may be used to supplement individual hospital, state developmental center, and special institutions budgets.

INDIANA PRESCRIPTION DRUG PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	8,000,000	8,000,000
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The family and social services administration shall seek approval from the Centers for Medicare and Medicaid Services of Health and Human Services for a prescription drug waiver for the Indiana prescription drug program. If the waiver is granted, the above appropriation shall be used to match federal funds available under the waiver.

CHILDREN'S HEALTH INSURANCE PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	23,800,000	26,500,000
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FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

FAMILY AND SOCIAL SERVICES ADMINISTRATION

Total Operating Expense	13,812,028	13,812,028
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COMMISSION FOR THE STATUS OF BLACK MALES

Total Operating Expense	126,101	126,101
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OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION

Total Operating Expense	4,124,812	4,124,812
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MEDICAID ADMINISTRATION

Total Operating Expense	49,500,000	49,500,000
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MEDICAID - CURRENT OBLIGATIONS

General Fund



1	Total Operating Expense	1,209,600,000	1,209,600,000
2	Hospital Care for the Indigent Fund (IC 12-16-14-6)		
3	Total Operating Expense	55,200,000	56,900,000
4	Augmentation allowed.		

5

6 The foregoing appropriations for Medicaid current obligations and for Medicaid administration

7 are for the purpose of enabling the office of Medicaid policy and planning to carry

8 out all services as provided in IC 12-8-6. In addition to the above appropriations,

9 all money received from the federal government and paid into the state treasury as

10 a grant or allowance is appropriated and shall be expended by the office of Medicaid

11 policy and planning for the respective purposes for which the money was allocated

12 and paid to this state. Subject to the provisions of P.L. 46-1995, if the sums herein

13 appropriated for Medicaid current obligations and for Medicaid administration are

14 insufficient to enable the office of Medicaid policy and planning to meet its obligations,

15 then there is appropriated from the state general fund such further sums as may be

16 necessary for that purpose, subject to the approval of the governor and the budget

17 agency.

18

19 Subject to the approval of the governor and the budget agency, the foregoing appropriations

20 for Medicaid - Current Obligations may be augmented or reduced based on revenues

21 accruing to the hospital care for the indigent fund.

22

23 **MEDICAID DISABILITY ELIGIBILITY EXAMS**

24	Total Operating Expense	3,195,000	3,195,000
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25 **DIVISION OF MENTAL HEALTH ADMINISTRATION**

26	Personal Services	2,308,149	2,308,149
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27	Other Operating Expense	172,416	172,416
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28 **SERIOUSLY EMOTIONALLY DISTURBED**

29	Total Operating Expense	16,485,578	16,485,578
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30 **SERIOUSLY MENTALLY ILL**

31 **General Fund**

32	Total Operating Expense	93,894,784	93,894,784
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33 **Mental Health Centers Fund (IC 6-7-1)**

34	Total Operating Expense	4,445,000	4,445,000
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35 **Augmentation allowed.**

36

37 The comprehensive community mental health centers shall submit their proposed annual

38 budgets (including income and operating statements) to the budget agency on or before

39 August 1 of each year. All federal funds shall be applied in augmentation of the

40 foregoing funds rather than in place of any part of the funds.

41

42 The above appropriations for comprehensive community mental health services include

43 the intragovernmental transfers necessary to provide the nonfederal share of reimbursement

44 under the Medicaid rehabilitation option.

45

46 **GAMBLER'S ASSISTANCE**

47 **Addiction Services Fund (IC 12-23-2-2)**

48	Total Operating Expense	1,182,056	1,182,056
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49 **SUBSTANCE ABUSE TREATMENT**



		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	General Fund			
2	Total Operating Expense	5,006,000	5,006,000	
3	Addition Services Fund (IC 12-23-2-2)			
4	Total Operating Expense	4,946,936	4,946,936	
5	Augmentation allowed.			
6	QUALITY ASSURANCE/RESEARCH			
7	General Fund			
8	Total Operating Expense	882,976	882,976	
9	Gamblers' Assistance Fund (IC 4-33-12-6)			
10	Total Operating Expense	92,812	92,812	
11	PREVENTION SERVICES			
12	Gamblers' Assistance Fund (IC 4-33-12-6)			
13	Total Operating Expense	975,132	975,132	
14				
15	MENTAL HEALTH INSTITUTIONS			
16	General Fund			
17	Total Operating Expense			243,892,654
18	Mental Health Fund (IC 12-24-14-4)			
19	Total Operating Expense			41,357,678
20	Augmentation allowed.			
21				
22	The foregoing appropriations for the mental health institutions are for the operations			
23	of Evansville Psychiatric Treatment Center for Children, Evansville State Hospital,			
24	Larue D. Carter Memorial Hospital, Logansport State Hospital, Madison State Hospital,			
25	and Richmond State Hospital.			
26				
27	Sixty-six percent (66%) of the revenue accruing to the state mental health institutions			
28	under IC 12-15 shall be deposited in the mental health fund established by IC 12-24-14,			
29	and thirty-four percent (34%) of the revenue accruing to the institutions, under			
30	IC 12-15, shall be deposited in the state general fund.			
31				
32	In addition to the above appropriations each institution may qualify for an additional			
33	appropriation, or allotment, subject to approval of the governor and the budget agency,			
34	from the mental health fund of up to twenty percent (20%), but not to exceed \$50,000			
35	in each fiscal year, of the amount by which actual net collections exceed an amount			
36	specified in writing by the division of mental health and approved by the state budget			
37	agency before July 1 of each year beginning July 1, 2003.			
38				
39	DIVISION OF FAMILY AND CHILDREN SERVICES ADMINISTRATION			
40	Personal Services	3,889,302	3,889,302	
41	Other Operating Expense	1,498,168	1,498,168	
42	TITLE IV-D OF THE FEDERAL SOCIAL SECURITY ACT (STATE MATCH)			
43	Total Operating Expense	3,938,171	3,938,171	
44				
45	The foregoing appropriations for the division of family and children Title IV-D of			
46	the federal Social Security Act are made under, and not in addition to, IC 12-17-2-31.			
47				
48	STATE WELFARE - COUNTY ADMINISTRATION			
49	Total Operating Expense	98,281,302	98,281,302	



EDUCATION AND TRAINING

Total Operating Expense	8,309,088	8,309,088
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TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

Total Operating Expense	31,357,943	31,357,943
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INFORMATION SYSTEMS/TECHNOLOGY

Total Operating Expense	12,931,228	12,931,228
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CHILD CARE SERVICES

Total Operating Expense	33,670,756	33,670,756
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The foregoing appropriations for information systems/technology, education and training, temporary assistance to needy families (TANF), and child care services are for the purpose of enabling the division of family and children to carry out all services as provided in IC 12-14. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the division of family and children for the respective purposes for which such money was allocated and paid to this state.

TITLE IV-B CHILD WELFARE ADMINISTRATION

Total Operating Expense	569,401	569,401
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ADOPTION ASSISTANCE

Total Operating Expense	7,302,930	7,302,930
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The foregoing appropriations for Title IV-B child welfare and adoption assistance represent the maximum state match for Title IV-B, and Title IV-E.

DOMESTIC VIOLENCE PREVENTION AND TREATMENT PROGRAM

General Fund

Total Operating Expense	1,000,000	1,000,000
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Domestic Violence Prevention and Treatment Fund (IC 12-18-4)

Total Operating Expense	1,000,000	1,000,000
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Augmentation allowed.

STEP AHEAD

Total Operating Expense	1,784,493	1,784,493
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FOOD ASSISTANCE PROGRAM

Total Operating Expense	146,000	146,000
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YOUTH SERVICE BUREAU

Total Operating Expense	1,250,000	1,250,000
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The executive director of the division of family and children shall establish standards for youth service bureaus. Any youth service bureau that is not an agency of a unit of local government or is not registered with the Indiana secretary of state as a nonprofit corporation shall not be funded. The division of family and children shall fund all youth service bureaus that meet the standards as established June 30, 1983. However, a grant may not be made without approval by the budget agency after review by the budget committee.

EARLY CHILDHOOD INTERVENTION SERVICES/PROJECT SAFEPLACE

Total Operating Expense	6,583,433	6,583,433
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SOCIAL SERVICES BLOCK GRANT (SSBG)

Total Operating Expense	16,534,000	16,534,000
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The above appropriated funds are allocated in the following manner during the biennium:

Division of Disability, Aging, and Rehabilitative Services

1,615,017	1,615,017
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Division of Family and Children, Child Welfare

12,404,090	12,404,090
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Division of Family and Children, Family Protection Services

1,475,214	1,475,214
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Department of Health

228,376	228,376
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Department of Correction

811,303	811,303
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FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

AGING AND DISABILITY SERVICES

Total Operating Expense	16,941,480	16,941,480
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DIVISION OF DISABILITY, AGING, AND REHABILITATIVE SERVICES ADMINISTRATION

Total Operating Expense	2,313,812	2,313,812
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The above appropriations for the division of disability, aging, and rehabilitative services administration are for administrative expenses. Any federal fund reimbursements received for such purposes are to be deposited in the state general fund.

Of the foregoing appropriations for the division of disability, aging, and rehabilitative services, \$1,546,593 is appropriated in each year for home health providers for the purpose of increasing the salaries of direct care workers.

C.H.O.I.C.E. IN-HOME SERVICES

Total Operating Expense	48,673,544	48,673,544
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The foregoing appropriations for C.H.O.I.C.E./In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver. In addition to the Medicaid aged and disabled waivers provided under intragovernmental transfers, additional amounts of the foregoing appropriations may be used each year for Medicaid aged and disabled waivers.

If the appropriations for C.H.O.I.C.E./In-Home Services are insufficient to provide services to all eligible persons, the division of disability, aging, and rehabilitative services may give priority for services to persons who are unable to perform three (3) or more activities of daily living (as defined in IC 12-10-10-1.5). The division of disability, aging, and rehabilitative services may discontinue conducting assessments for individuals applying for services under the C.H.O.I.C.E./In-Home Services program if a waiting list for such services exists.

The division of disability, aging, and rehabilitative services shall conduct an annual



evaluation of the cost effectiveness of providing home care. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:

- (1) the number and demographic characteristics of the recipients of home care during the preceding fiscal year;
- (2) the total cost and per recipient cost of providing home care services during the preceding fiscal year;
- (3) the number of recipients of home care services who would have been placed in long term care facilities had they not received home care services; and
- (4) the total cost savings during the preceding fiscal year realized by the state due to recipients of home care services (including Medicaid) being diverted from long term care facilities.

The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council.

VOCATIONAL REHABILITATION SERVICES

Personal Services	3,555,739	3,555,739
Other Operating Expense	11,952,631	11,952,631

AID TO INDEPENDENT LIVING

Total Operating Expense	22,222	22,222
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ATTAIN PROJECT

Total Operating Expense	355,500	355,500
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OFFICE OF DEAF AND HEARING IMPAIRED

Personal Services	278,202	278,202
Other Operating Expense	219,519	219,519

BLIND VENDING OPERATIONS

Total Operating Expense	130,137	130,137
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DEVELOPMENTALLY DISABLED CLIENT SERVICES

General Fund

Total Operating Expense	164,538,450
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Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	47,100,000
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With the approval of the governor and the budget agency, an amount up to \$1,250,000 for each year of the biennium may be transferred from the above appropriation for client services to early childhood intervention services.

The above appropriations for client services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid program for day services provided to residents of group homes and nursing facilities.

In the development of new community residential settings for persons with developmental disabilities, the division of disability, aging, and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to



the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

QUALITY ASSURANCE SERVICES

From the Community Services Quality Assurance Fund (IC 12-11-1.1-10)

Total Operating Expense	10,000,000	10,000,000
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Augmentation allowed.

STATE DEVELOPMENTAL CENTERS

From the General Fund

Total Operating Expense	90,541,100
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From the Mental Health Fund (IC 12-24-14-4)

Total Operating Expense	82,181,216
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From the Muscatatuck State Developmental Center -

- Vocational Program Account

Total Operating Expense	17,920
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Augmentation allowed.

The foregoing appropriations for the state developmental centers are for the operations of the Fort Wayne state developmental center and the Muscatatuck state developmental center.

Sixty-six percent (66%) of the revenue accruing to the above named state developmental centers under IC 12-15 shall be deposited in the mental health fund established under IC 12-24-14, and thirty-four percent (34%) of the revenue accruing to the above named institutions under IC 12-15 shall be deposited in the state general fund.

In addition to the above appropriations, each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%) but not to exceed \$50,000, of the amount in which actual net collections exceed an amount specified in writing by the division of disability, aging, and rehabilitative services and approved by the budget agency before July 1 of each year beginning July 1, 2003.

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	18,694,664	18,694,664
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Other Operating Expense	9,854,223	9,854,223
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All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund.

CANCER REGISTRY

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	237,224	237,224
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MINORITY HEALTH INITIATIVE

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,092,500	2,092,500
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SICKLE CELL

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	232,500	232,500
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AID TO COUNTY TUBERCULOSIS HOSPITALS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Other Operating Expense	107,397	107,397
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These funds shall be used for eligible expenses according to IC 16-21-7-3 for tuberculosis patients for whom there are no other sources of reimbursement, including patient resources, health insurance, medical assistance payments, and hospital care for the indigent.

MEDICARE-MEDICAID CERTIFICATION

Total Operating Expense	4,429,886	4,429,886
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Personal services augmentation allowed in amounts not to exceed additional revenue from health facilities license fee increases or from health care providers (as defined in IC 16-18-2-163) fee increases enacted after January 1, 2003, or adopted by the Executive Board of the Indiana State Department of Health pursuant to IC 16-19-3-35.

AIDS EDUCATION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	315,208	315,208
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Other Operating Expense	359,594	359,594
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HIV/AIDS SERVICES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,325,004	2,325,004
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TEST FOR DRUG AFFLICTED BABIES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	62,496	62,496
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The above appropriations for drug afflicted babies shall be used for the following purposes:

- (1) All newborn infants shall be tested for the presence of a controlled substance in the infant's meconium if they meet the criteria established by the state department of health. These criteria will, at a minimum, include all newborns, if at birth:
 - (A) the infant's weight is less than two thousand five hundred (2,500) grams;
 - (B) the infant's head is smaller than the third percentile for the infant's gestational age; and
 - (C) there is no medical explanation for the conditions described in clauses (A) and (B).
- (2) If a meconium test determines the presence of a controlled substance in the infant's meconium, the infant may be declared a child in need of services as provided in IC 31-34-1-10 through IC 31-34-1-13. However, the child's mother may not be prosecuted in connection with the results of the test.
- (3) The state department of health shall provide forms on which the results of a meconium test performed on an infant under subdivision (1) must be reported to the state department of health by physicians and hospitals.
- (4) The state department of health shall, at least semiannually:
 - (A) ascertain the extent of testing under this chapter; and
 - (B) report its findings under subdivision (1) to:



- (i) all hospitals;
 - (ii) physicians who specialize in obstetrics and gynecology or work with infants and young children; and
 - (iii) any other group interested in child welfare that requests a copy of the report from the state department of health.
- (5) The state department of health shall designate at least one (1) laboratory to perform the meconium test required under subdivisions (1) through (8). The designated laboratories shall perform a meconium test on each infant described in subdivision (1) to detect the presence of a controlled substance.
- (6) Subdivisions (1) through (7) do not prevent other facilities from conducting tests on infants to detect the presence of a controlled substance.
- (7) Each hospital and physician shall:
- (A) take or cause to be taken a meconium sample from every infant born under the hospital's and physician's care who meets the description under subdivision (1); and
 - (B) transport or cause to be transported each meconium sample described in clause (A) to a laboratory designated under subdivision (5) to test for the presence of a controlled substance as required under subdivisions (1) through (7).
- (8) The state department of health shall continue to evaluate the program established under subdivisions (1) through (7). The state department of health shall report the results of the evaluation to the general assembly not later than January 30, 2004, and January 30, 2005. The general assembly shall use the results of the evaluation to determine whether to continue the testing program established under subdivisions (1) through (7).
- (9) The state department of health shall establish guidelines to carry out this program, including guidance to physicians, medical schools, and birthing centers as to the following:
- (A) Proper and timely sample collection and transportation under subdivision (7) of this appropriation.
 - (B) Quality testing procedures at the laboratories designated under subdivision 5 of this appropriation.
 - (C) Uniform reporting procedures.
 - (D) Appropriate diagnosis and management of affected newborns and counseling and support programs for newborns' families.
- (10) A medically appropriate discharge of an infant may not be delayed due to the results of the test described in subdivision (1) or due to the pendency of the results of the test described in subdivision (1).

STATE CHRONIC DISEASES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	91,741	91,741
Other Operating Expense	444,775	444,775

At least \$82,560 of the above appropriations shall be for grants to community groups and organizations as provided in IC 16-46-7-8.

WOMEN, INFANTS, AND CHILDREN SUPPLEMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	176,700	176,700
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MATERNAL AND CHILD HEALTH SUPPLEMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	176,700	176,700
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Notwithstanding IC 6-7-1-30.2, the above appropriations for the women, infants, and children supplement and maternal and child health supplement are the total appropriations provided for this purpose.

CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	93,000	93,000
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ADOPTION HISTORY

Adoption History Fund (IC 31-19-18)

Total Operating Expense	172,170	172,170
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Augmentation allowed.

CHILDREN WITH SPECIAL HEALTH CARE NEEDS

Total Operating Expense	5,848,119	5,848,119
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LOCAL HEALTH MAINTENANCE FUND

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,800,000	3,800,000
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The foregoing appropriation for the local health maintenance fund is made notwithstanding IC 6-7-1-30.5.

COMMUNITY HEALTH CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	15,000,000	15,000,000
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NEWBORN SCREENING PROGRAM

Newborn Screening Fund (IC 16-41-17)

Personal Services	117,823	117,823
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Other Operating Expense	1,093,914	1,093,914
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Augmentation allowed.

INDIANA HEALTH CARE PROFESSIONAL RECRUITMENT AND RETENTION

Indiana Medical and Nursing Grant Fund (IC 16-46-5)

Total Operating Expense	40,000	40,000
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Augmentation allowed.

RADON GAS TRUST FUND

Radon Gas Trust Fund (IC 16-41-38-8)

Total Operating Expense	15,000	15,000
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Augmentation allowed.

BIRTH PROBLEMS REGISTRY

Birth Problems Registry Fund (IC 16-38-4)

Personal Services	29,976	29,976
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Other Operating Expense	10,661	10,661
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Augmentation allowed.

MOTOR FUEL INSPECTION PROGRAM

Motor Fuel Inspection Fund (IC 16-44-3-10)

Total Operating Expense	80,313	80,313
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Augmentation allowed.



PROJECT RESPECT

Total Operating Expense	597,787	597,787
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DONATED DENTAL SERVICES

Total Operating Expense	46,500	46,500
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The above appropriation shall be used by the Indiana foundation for dentistry for the handicapped.

OFFICE OF WOMEN'S HEALTH

Total Operating Expense	162,749	162,749
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SILVERCREST CHILDREN'S DEVELOPMENT CENTER

Personal Services	6,774,075	6,774,075
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Other Operating Expense	660,595	660,595
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SOLDIERS' AND SAILORS' CHILDREN'S HOME

Personal Services	8,854,535	8,854,535
--------------------------	------------------	------------------

Other Operating Expense	1,152,667	1,152,667
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INDIANA VETERANS' HOME

From the General Fund

12,515,923	12,736,091
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From the Comfort - Welfare Fund

9,292,152	9,292,152
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The amounts specified from the General Fund and the Comfort-Welfare Fund are for the following purposes:

Personal Services	17,530,659	17,555,659
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Other Operating Expense	4,277,416	4,472,584
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Subject to approval of the budget agency, any revenue accruing to the Silvercrest Children's Development Center and Soldiers' and Sailors' Children's Home from the receipt of Medicaid reimbursement may be used to augment the above appropriations. Any revenues not used for augmentation shall be deposited in the state general fund.

FOR THE INDIANA SCHOOL FOR THE BLIND

Personal Services	9,635,103	9,635,103
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Other Operating Expense	728,554	728,554
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FOR THE INDIANA SCHOOL FOR THE DEAF

Personal Services	15,748,129	15,748,129
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Other Operating Expense	1,439,925	1,439,925
--------------------------------	------------------	------------------

FOR THE STATE DEPARTMENT OF HEALTH

LOCAL HEALTH DEPARTMENT ACCOUNT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,000,000	3,000,000
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The foregoing appropriations for the local health department account are the statutory



distributions per IC 4-12-7.

**FOR THE TOBACCO USE PREVENTION AND CESSATION BOARD
TOBACCO USE PREVENTION AND CESSATION PROGRAM**

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	10,820,640	10,820,640
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Of the above appropriation, \$820,640 may be used for the board's operating budget each year.

C. VETERANS' AFFAIRS

FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Personal Services	620,693	620,693
Other Operating Expense	216,564	216,564

The foregoing appropriations for the department of veterans' affairs include operating funds for the veterans' cemetery. Notwithstanding IC 10-5-1-8, staff employed for the operation and maintenance of the veterans' cemetery shall be selected as are all other state employees.

DISABLED AMERICAN VETERANS OF WORLD WARS

Total Operating Expense	40,000	40,000
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AMERICAN VETERANS OF WORLD WAR II, KOREA, AND VIETNAM

Total Operating Expense	30,000	30,000
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VETERANS OF FOREIGN WARS

Total Operating Expense	30,000	30,000
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VIETNAM VETERANS OF AMERICA

Total Operating Expense		20,000
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SECTION 9. [EFFECTIVE JULY 1, 2003]

EDUCATION

A. HIGHER EDUCATION

FOR INDIANA UNIVERSITY

BLOOMINGTON CAMPUS

Total Operating Expense	186,347,154	188,822,964
Informatics	1,250,000	1,800,000
Fee Replacement	16,146,719	16,303,973

FOR INDIANA UNIVERSITY REGIONAL CAMPUSES

EAST

Total Operating Expense	7,177,058	7,412,161
Fee Replacement	1,804,606	1,812,830

KOKOMO

Total Operating Expense	9,793,428	9,952,865
Fee Replacement	2,022,724	2,031,944



NORTHWEST

Total Operating Expense	16,929,548	17,033,155
Fee Replacement	3,557,707	3,573,923

SOUTH BEND

Total Operating Expense	21,618,737	22,145,836
Fee Replacement	5,427,781	5,452,521

SOUTHEAST

Total Operating Expense	18,235,316	18,759,688
Fee Replacement	4,924,139	4,946,583

TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES

91,491,044 93,121,506

**FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY
AT INDIANAPOLIS (IUPUI)**

HEALTH DIVISIONS

Total Operating Expense	85,860,719	87,323,278
Fee Replacement	3,462,881	3,482,543

FOR INDIANA UNIVERSITY - REGIONAL MEDICAL CENTERS

EVANSVILLE REGIONAL MEDICAL CENTER

Total Operating Expense	1,449,787	1,474,483
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FORT WAYNE REGIONAL MEDICAL CENTER

Total Operating Expense	1,333,711	1,356,430
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NORTHWEST REGIONAL MEDICAL CENTER

Total Operating Expense	1,894,720	1,926,995
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LAFAYETTE REGIONAL MEDICAL CENTER

Total Operating Expense	1,691,305	1,720,115
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MUNCIE REGIONAL MEDICAL CENTER

Total Operating Expense	1,520,758	1,546,663
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SOUTH BEND REGIONAL MEDICAL CENTER

Total Operating Expense	1,410,322	1,434,345
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TERRE HAUTE REGIONAL MEDICAL CENTER

Total Operating Expense	1,681,408	1,710,049
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The Indiana University school of medicine shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

GENERAL ACADEMIC DIVISIONS

Total Operating Expense	83,148,897	85,022,331
Informatics	1,250,000	1,850,000
Fee Replacement	16,208,181	16,300,205

TOTAL APPROPRIATIONS - IUPUI

200,912,689 205,147,437

Transfers of allocations between campuses to correct for errors in allocation among



the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

FOR INDIANA UNIVERSITY

ABILENE NETWORK OPERATIONS CENTER

Total Operating Expense	817,502	817,502
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SPINAL CORD AND HEAD INJURY RESEARCH CENTER

Total Operating Expense	473,956	473,956
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DIVISION OF LABOR STUDIES IN CONTINUING EDUCATION

Total Operating Expense	358,368	358,368
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OPTOMETRY BOARD EDUCATION FUND

Total Operating Expense	29,000	1,500
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CHEMICAL TEST TRAINING

Total Operating Expense	644,058	644,058
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INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES

Total Operating Expense	2,432,526	2,432,526
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GEOLOGICAL SURVEY

Total Operating Expense	3,046,002	3,046,002
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INDUSTRIAL RESEARCH LIAISON PROGRAM

Total Operating Expense	249,964	249,964
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LOCAL GOVERNMENT ADVISORY COMMISSION

Total Operating Expense	55,518	55,518
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FOR PURDUE UNIVERSITY

WEST LAFAYETTE

Total Operating Expense	226,916,537	231,223,996
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Biomedical Engineering	1,250,000	2,500,000
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Fee Replacement	21,271,920	17,632,498
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FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES

CALUMET

Total Operating Expense	25,996,097	26,258,043
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Fee Replacement	1,935,321	1,935,778
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NORTH CENTRAL

Total Operating Expense	9,776,744	10,038,202
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Fee Replacement	1,468,004	0
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TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES

39,176,166	38,232,023
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FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

AT FORT WAYNE (IUPUFW)

Total Operating Expense	31,122,593	32,252,378
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Northeast Indiana Innovation Center	500,000	1,000,000
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Fee Replacement	3,683,717	3,331,188
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Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval



of the commission for higher education and the budget agency.

FOR PURDUE UNIVERSITY

ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM

Total Operating Expense	3,353,629	3,353,629
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The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 15-2.1-5-6. Notwithstanding IC 15-2.1-5-5, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY

Total Operating Expense	5,468,959	5,468,959
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COUNTY AGRICULTURAL EXTENSION EDUCATORS

Total Operating Expense	7,103,447	7,103,447
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AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS

Total Operating Expense	7,107,724	7,107,724
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CENTER FOR PARALYSIS RESEARCH

Total Operating Expense	472,445	472,445
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UNIVERSITY-BASED BUSINESS ASSISTANCE

Total Operating Expense	1,100,715	1,100,715
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NORTH CENTRAL - VALPO NURSING PARTNERSHIP

Total Operating Expense	98,662	98,662
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FOR INDIANA STATE UNIVERSITY

Total Operating Expense	76,118,611	76,959,827
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Expanding Information Tech Expertise	500,000	1,000,000
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Fee Replacement	6,549,325	6,549,470
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FOR UNIVERSITY OF SOUTHERN INDIANA

Total Operating Expense	31,021,241	32,482,202
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Engineering Equip / Program Needs	250,000	600,000
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Fee Replacement	5,862,166	5,859,415
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HISTORIC NEW HARMONY

Total Operating Expense	356,216	356,216
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YOUNG ABE LINCOLN

Total Operating Expense	238,562	238,562
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FOR BALL STATE UNIVERSITY

Total Operating Expense	119,036,058	121,523,533
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Entrepren. Prog/Com. Dev Plan Inst	750,000	1,700,000
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Fee Replacement	8,093,255	8,094,555
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ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES

Total Operating Expense	4,196,355	4,196,355
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FOR VINCENNES UNIVERSITY



		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	32,398,037	33,878,209	
2	Digital Communications/Info Tech	525,000	1,065,000	
3	Fee Replacement	2,666,455	2,669,550	

4
5 **FOR IVY TECH STATE COLLEGE**

6	Total Operating Expense	112,787,506	121,358,381	
7	Expand State. Access-A.S.Nursing Prog	800,000	1,500,000	
8	Fee Replacement	8,997,210	10,262,578	

9
10 **Of the above appropriations for IVY TECH total operating expense, \$135,000 each year**
11 **shall be used for the Community Learning Center in Portage.**

12
13 **FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)**

14	Total Operating Expense	6,661,610	6,661,610	
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15
16 **The sums herein appropriated to Indiana University, Purdue University, Indiana State**
17 **University, University of Southern Indiana, Ball State University, Vincennes University,**
18 **Ivy Tech State College, and the Indiana Higher Education Telecommunications System**
19 **(IHETS) are in addition to all income of said institutions and IHETS, respectively,**
20 **from all permanent fees and endowments and from all land grants, fees, earnings,**
21 **and receipts, including gifts, grants, bequests, and devises, and receipts from any**
22 **miscellaneous sales from whatever source derived.**

23
24 **All such income and all such fees, earnings, and receipts on hand June 30, 2003,**
25 **and all such income and fees, earnings, and receipts accruing thereafter are hereby**
26 **appropriated to the boards of trustees or directors of the aforementioned institutions**
27 **and IHETS and may be expended for any necessary expenses of the respective institutions**
28 **and IHETS, including university hospitals, schools of medicine, nurses' training**
29 **schools, schools of dentistry, and agricultural extension and experimental stations.**
30 **However, such income, fees, earnings, and receipts may be used for land and structures**
31 **only if approved by the governor and the budget agency.**

32
33 **The foregoing appropriations and allocations for fee replacement are for replacement**
34 **of student fees deducted during the 2003-2005 biennium to cover bond or lease-purchase**
35 **principal, interest, and other obligations of debt costs of facility construction**
36 **and acquisition for those projects authorized by the general assembly. These fee**
37 **replacement appropriations and allocations shall be allotted by the budget agency**
38 **after receipt of verification of payment of such debt cost expense.**

39
40 **The foregoing appropriations to Indiana University, Purdue University, Indiana State**
41 **University, University of Southern Indiana, Ball State University, Vincennes University,**
42 **Ivy Tech State College, and IHETS include the employers' share of Social Security**
43 **payments for university and IHETS employees under the public employees' retirement**
44 **fund, or institutions covered by the Indiana state teachers' retirement fund. The**
45 **funds appropriated also include funding for the employers' share of payments to the**
46 **public employees' retirement fund and to the Indiana state teachers' retirement fund**
47 **at a rate to be established by the retirement funds for both fiscal years for each**
48 **institution and for IHETS employees covered by these retirement plans.**
49



The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College on the basis of vouchers stating the total amount claimed against each fund and/or account, but not to exceed the legally made appropriations.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, the trustees of Ivy Tech State College, and the directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

**FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND**



1 **Total Operating Expense** **2,249,791** **2,249,791**
2
3 **Of the foregoing appropriations for the medical education board-family practice residency**
4 **fund, \$1,000,000 each year shall be used for grants for the purpose of improving**
5 **family practice residency programs serving medically underserved areas.**
6

7 **MEDICAL EDUCATION - INTERN RESIDENCY PROGRAM**

8 **Total Operating Expense** **1** **1**
9

10 **FOR THE COMMISSION FOR HIGHER EDUCATION**

11 **Total Operating Expense** **1,468,221** **1,468,221**

12 **INDIANA CAREER AND POSTSECONDARY ADVANCEMENT CENTER**

13 **Total Operating Expense** **866,094** **866,094**
14

15 **FOR THE DEPARTMENT OF ADMINISTRATION**

16 **ANIMAL DISEASE DIAGNOSTIC LABORATORY LEASE RENTAL**

17 **Total Operating Expense** **1,045,975** **1,044,934**
18

19 **FOR THE STATE BUDGET AGENCY**

20 **GIGAPOP PROJECT**

21 **Total Operating Expense** **727,638** **727,638**
22

23 **SOUTH CENTRAL EDUCATIONAL ALLIANCE**

24 **BEDFORD SERVICE AREA**

25 **Total Operating Expense** **280,710** **280,710**
26

27 **SOUTHEAST INDIANA EDUCATION SERVICES**

28 **Total Operating Expense** **742,468** **742,468**
29

30 **The above appropriation for southeast Indiana education services may be expended**
31 **with the approval of the budget agency after review by the commission for higher**
32 **education and the budget committee.**
33

34 **DEGREE LINK**

35 **Total Operating Expense** **500,375** **500,375**
36

37 **The above appropriations shall be used for the delivery of Indiana State University**
38 **baccalaureate degree programs at Ivy Tech State College and Vincennes University**
39 **locations through Degree Link. Distributions shall be made upon the recommendation**
40 **of the Indiana commission for higher education and with approval by the budget agency**
41 **after review by the budget committee.**
42

43 **WORKFORCE CENTERS**

44 **Total Operating Expense** **837,000** **837,000**
45

46 **The distribution of total university operating and line item appropriations for the**
47 **2003-2004 fiscal year to Indiana University, Purdue University, Indiana State University,**
48 **Ball State University, the University of Southern Indiana, Vincennes University,**
49 **Ivy Tech State College, the Indiana Higher Education Telecommunications System (IHETS),**
50 **the Indiana commission for higher education (ICHE), and the budget agency includes**
51 **one-twelfth (1/12) of the calculated amounts appropriated for fiscal year 2002-2003**



by P.L. 291-2001, as adjusted by P.L. 178-2002 and budget agency implementation of the deficit management plan, and eleven-twelfths (11/12) of the appropriations for fiscal year 2003-2004.

The distribution of total university operating and line item appropriations for the 2004-2005 fiscal year to Indiana University, Purdue University, Indiana State University, Ball State University, the University of Southern Indiana, Vincennes University, Ivy Tech State College, IHETS, ICHE, and the budget agency includes one-twelfth (1/12) of the amount appropriated for fiscal year 2003-2004 and eleven-twelfths (11/12) of the amount appropriated for fiscal year 2004-2005.

FOR THE STATE STUDENT ASSISTANCE COMMISSION

Total Operating Expense	1,266,044	1,266,044
FREEDOM OF CHOICE GRANTS		
Total Operating Expense	36,428,485	38,041,495
HIGHER EDUCATION AWARD PROGRAM		
Total Operating Expense	87,851,595	98,811,021
NURSING SCHOLARSHIP PROGRAM		
Total Operating Expense	402,142	402,142
HOOSIER SCHOLAR PROGRAM		
Total Operating Expense	400,000	400,000

For the higher education awards and freedom of choice grants made for the 2003-2005 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:

- (1) **Financial Need:** For purposes of these awards, financial need shall be limited to actual undergraduate tuition and fees for the prior academic year as established by the commission.
- (2) **Maximum Base Award:** The maximum award shall not exceed the lesser of:
 - (A) eighty percent (80%) of actual prior academic year undergraduate tuition and fees; or
 - (B) eighty percent (80%) of the sum of the highest prior academic year undergraduate tuition and fees at any public institution of higher education and the lowest appropriation per full-time equivalent (FTE) undergraduate student at any public institution of higher education.
- (3) **Minimum Award:** No actual award shall be less than \$200.
- (4) **Award Size:** A student's maximum award shall be reduced one (1) time:
 - (A) for dependent students, by the expected contribution from parents based upon information submitted on the financial aid application form; and
 - (B) for independent students, by the expected contribution derived from information submitted on the financial aid application form.
- (5) **Award Adjustment:** The maximum base award may be adjusted by the commission for any eligible recipient who fulfills college preparation requirements defined by the commission.
- (6) **Adjustment:** If the dollar amounts of eligible awards exceed appropriations and program reserves, all awards may be adjusted by the commission by reducing the maximum award under subdivision (2)(A) or (2)(B).

For the Hoosier scholar program for the 2003-2005 biennium, each award shall not



exceed five hundred dollars (\$500) and shall be made available for one (1) year only.
Receipt of this award shall not reduce any other award received under any state funded student assistance program.

STATUTORY FEE REMISSION

Total Operating Expense	13,859,865	16,741,402
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PART-TIME GRANT PROGRAM

Total Operating Expense	5,250,000	5,250,000
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Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the part time grant fund during the 2002-2003 school year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 20-12-21 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family and children shall apply all qualifying expenditures for the part-time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

CONTRACT FOR INSTRUCTIONAL OPPORTUNITIES IN SOUTHEASTERN INDIANA

Total Operating Expense	603,407	603,407
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MINORITY TEACHER SCHOLARSHIP FUND

Total Operating Expense	399,768	399,768
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COLLEGE WORK STUDY PROGRAM

Total Operating Expense	805,189	805,189
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21ST CENTURY ADMINISTRATION

Total Operating Expense	2,586,443	4,086,443
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21ST CENTURY SCHOLAR AWARDS

Total Operating Expense	15,996,500	18,402,449
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Augmentation for 21st Century Scholar Awards allowed from the General Fund.

The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

Family and social services, division of family and children shall apply all qualifying expenditures for the 21st century scholars program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.)

NATIONAL GUARD SCHOLARSHIP

Total Operating Expense	2,714,478	3,033,730
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The above appropriations for national guard scholarship and any program reserves existing on June 30, 2003, shall be the total allowable state expenditure for the program in the 2003-2005 biennium. If the dollar amounts of eligible awards exceed appropriations and program reserves, the state student assistance commission shall develop a plan to insure that the total dollar amount does not exceed the above appropriations and any program reserves.

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

Total Operating Expense	3,152,112	3,152,112
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The foregoing appropriations for the Indiana state board of education are for the education roundtable established by IC 20-1-20.5-3; for the academic standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks; for special evaluation and research projects including national and international assessments; and for state board and roundtable administrative expenses.

SUPERINTENDENT'S OFFICE

Personal Services	678,154	678,154
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Other Operating Expense	1,518,002	1,518,002
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RESEARCH AND DEVELOPMENT PROGRAMS

Personal Services	88,499	88,499
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Other Operating Expense	275,615	275,615
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Of the foregoing appropriations for Research and Development Programs, \$100,000 each year shall be used for the Indiana University Education Policy Center.

DEPUTY SUPERINTENDENT'S OFFICE

Personal Services	415,649	415,649
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Other Operating Expense	145,716	145,716
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RILEY HOSPITAL

Total Operating Expense	27,900	27,900
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ADMINISTRATION AND FINANCIAL MANAGEMENT

Personal Services	2,132,994	2,132,994
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Other Operating Expense	313,816	313,816
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MOTORCYCLE OPERATOR SAFETY EDUCATION FUND

Safety Education Fund (IC 20-10.1-7-14)

Personal Services	119,353	119,353
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Other Operating Expense	901,708	901,708
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The foregoing appropriations for the motorcycle operator safety education fund are from the motorcycle operator safety education fund created by IC 20-10.1-7-14.

SCHOOL TRAFFIC SAFETY

Motor Vehicle Highway Account (IC 8-14-1)



		<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	216,678	216,678	
2	Other Operating Expense	42,311	42,311	
3	Augmentation allowed.			
4	CENTER FOR SCHOOL ASSESSMENT			
5	Personal Services	295,106	295,106	
6	Other Operating Expense	759,136	759,136	
7	ACCREDITATION SYSTEM			
8	Personal Services	461,992	461,992	
9	Other Operating Expense	512,010	512,010	
10	SPECIAL EDUCATION (S-5)			
11	Total Operating Expense	30,000,000	30,000,000	
12				
13	The foregoing appropriations for special education are made under IC 20-1-6-19.			
14				
15	CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS			
16	Personal Services	258,099	258,099	
17	Other Operating Expense	61,805	61,805	
18	SPECIAL EDUCATION EXCISE			
19	Alcoholic Beverage Excise Tax Funds (IC 20-1-6-10)			
20	Personal Services	330,332	330,332	
21	Augmentation allowed.			
22	GED-ON-TV PROGRAM			
23	Other Operating Expense	229,500	229,500	
24				
25	The foregoing appropriation is for grants to provide GED-ON-TV programming. The GED-ON-TV			
26	Program shall submit for review by the budget committee an annual report on utilization			
27	of this appropriation.			
28				
29	VOCATIONAL EDUCATION			
30	Personal Services	1,303,194	1,303,194	
31	Other Operating Expense	78,783	78,783	
32	ADVANCED PLACEMENT PROGRAM			
33	Other Operating Expense	930,000	930,000	
34				
35	The above appropriations for the Advanced Placement program are to provide funding			
36	for students of accredited public and nonpublic schools.			
37				
38	PSAT PROGRAM			
39	Other Operating Expense	744,000	744,000	
40				
41	The above appropriations for the PSAT program are to provide funding for students			
42	of accredited public and nonpublic schools.			
43				
44	CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE			
45	Personal Services	1,728,746	1,728,746	
46	Other Operating Expense	992,586	992,586	
47	PRINCIPAL LEADERSHIP ACADEMY			
48	Personal Services	326,637	326,637	
49	Other Operating Expense	151,224	151,224	



EDUCATION SERVICE CENTERS

Total Operating Expense	1,721,287	1,721,287
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No appropriation made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least three dollars (\$3) per student for fiscal year 2003-2004 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2002, and at least three dollars (\$3) per student for fiscal year 2004-2005, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 2003. Before notification of education service centers of the formula and components of the formula for distributing funds for education service centers, review and approval of the formula and components must be made by the budget agency.

TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)

Total Operating Expense	199,950	199,950
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The foregoing appropriations for transfer tuition (state employees' children and eligible children in mental health facilities) are made under IC 20-8.1-6.1-6 and IC 20-8.1-6.1-5.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION

Total Operating Expense	2,403,792	2,403,792
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The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area vocational schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

General Fund

Total Operating Expense	2,040,955,447	2,056,217,947
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Property Tax Replacement Fund (IC 6-1.1-21)

Total Operating Expense	1,591,844,553	1,606,832,053
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The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, vocational education programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2003 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, one-half (1/2) of any excess shall revert to the state



general fund and one-half (1/2) of any excess shall revert to the property tax replacement fund.

The above appropriations for tuition support shall be made each calendar year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each calendar year shall equal the amount required under the statute enacted for the purpose referred to above.

DISTRIBUTION FOR TRANSPORTATION

Total Operating Expense	23,995,817	23,995,817
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The distributions for transportation shall be made to each local school corporation in accordance with IC 21-3-3.1 and any pertinent rules.

ADA FLAT GRANT DISTRIBUTION

Total Operating Expense	35,854,597	35,854,597
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Distribution to local school corporations shall be based on average daily attendance. The foregoing appropriations for the ADA flat grant distribution account include the appropriation of the common school fund interest balance. The remainder of the above appropriations are provided from the state general fund.

DISTRIBUTION FOR SUMMER SCHOOL

Other Operating Expense	18,360,000	18,360,000
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It is the intent of the 2003 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

EARLY INTERVENTION PROGRAM

Personal Services	13,000	13,000
Other Operating Expense	3,707,000	3,707,000

The above appropriations for the early intervention program are for grants to local school corporations for grant proposals for early intervention programs, including reading recovery and the Waterford method.

READING DIAGNOSTIC ASSESSMENT

Total Operating Expense	1,000,000	1,000,000
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The foregoing appropriations shall be used by the department for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and nonpublic school first and second grade students upon the approval of the governing body of school corporations. The board shall determine



how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board and the education roundtable.

ADULT EDUCATION DISTRIBUTION

Total Operating Expense	14,000,000	14,000,000
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It is the intent of the 2003 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

NATIONAL SCHOOL LUNCH PROGRAM

Total Operating Expense	5,168,289	5,400,000
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MARION COUNTY DESEGREGATION COURT ORDER

Total Operating Expense	18,200,000	18,200,000
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The foregoing appropriations for court ordered desegregation costs are made pursuant to order No. IP 68-C-225-S of the United States District Court for the Southern District of Indiana. If the sums herein appropriated are insufficient to enable the state to meet its obligations, then there are hereby appropriated from the state general fund such further sums as may be necessary for such purpose.

TEXTBOOK REIMBURSEMENT

Total Operating Expense	19,900,000	19,900,000
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Before a school corporation, charter school, or an accredited nonpublic school may receive a distribution under the textbook reimbursement program, the school corporation or accredited nonpublic school shall provide to the department the requirements established in IC 20-8.1-9-2. The department shall provide to the family and social services administration (FSSA) all data required for FSSA to meet the data collection reporting requirement in 45 CFR Part 265. Family and social services, division of family and children, shall apply all qualifying expenditures for the textbook reimbursement program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.)

TRANSPORTATION FOR SPECIAL AND VOCATIONAL EDUCATION

Total Operating Expense	8,900,100	8,900,100
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The distribution of these appropriations shall be made in accordance with IC 21-3-3.1.

FULL DAY KINDERGARTEN

Total Operating Expense	8,500,000	8,500,000
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The above appropriations for full-day kindergarten are available to a school corporation or charter school that applies to the department of education for funding of full-day kindergarten. The amount available to a school corporation equals the amount appropriated divided by the statewide total ADM (as defined in IC 21-3-1.6-1.1) for the current year, and then multiplied by school corporation's ADM (as defined in



IC 21-3-1.6-1.1) for the current year. A school corporation that is awarded a grant must provide to the department of education a financial report stating how the funds were spent. Any unspent funds at the end of the biennium must be returned to the state by the school corporation.

TESTING/REMEDIATION

Other Operating Expense	31,410,450	31,410,450
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Prior to notification of local school corporations of the formula and components of the formula for distributing funds for remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing/remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

The above appropriation for testing/remediation shall be used by school corporations to provide remediation programs for students who attend public and nonpublic schools. For purposes of tuition support, these students are not to be counted in the average daily membership.

GRADUATION EXAM REMEDIATION

Other Operating Expense	4,958,910	4,958,910
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Prior to notification of local school corporations of the formula and components of the formula for distributing funds for graduation exam remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing/remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

SPECIAL EDUCATION PRESCHOOL

Total Operating Expense	27,173,300	27,173,300
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The above appropriations shall be distributed to guarantee a minimum of \$2,750 per child enrolled in special education preschool programs from state and local sources in school corporations that levy a \$0.01 per \$100 assessed valuation tax rate for this purpose. It is the intent of the 2003 general assembly that the above appropriations for special education preschool shall be the total allowable expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

CHARTER SCHOOLS ADMINISTRATION

Total Operating Expense	46,500	46,500
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GIFTED AND TALENTED EDUCATION PROGRAM

Personal Services	180,906	180,906
Other Operating Expense	5,649,354	5,649,354

DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION



1	Total Operating Expense	250,000	250,000
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2

3 **The distribution for adult vocational education programs shall be made in accordance**
 4 **with the state plan for vocational education.**

5

6 **PRIMETIME**

7	Personal Services	169,291	169,291
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8	Other Operating Expense	34,467	34,467
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9 **DRUG FREE SCHOOLS**

10	Personal Services	51,137	51,137
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11	Other Operating Expense	20,093	20,093
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12 **PROFESSIONAL DEVELOPMENT DISTRIBUTION**

13	Other Operating Expense	13,812,500	13,812,500
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14

15 **The foregoing appropriations for professional development distributions include schools**
 16 **defined under IC 20-10.2-2-11.**

17

18 **ALTERNATIVE SCHOOLS**

19	Total Operating Expense	6,375,000	6,375,000
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20

21 **The board is to submit recommendations to the budget committee for review before**
 22 **May 1, 2004, for implementation in state fiscal year 2004-2005.**

23

24 **EDUCATIONAL TECHNOLOGY PROGRAM AND FUND**
 25 **(INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM)**

26	Total Operating Expense	2,100,000	2,100,000
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27

28 **Of the foregoing appropriations, \$825,000 shall be allocated to the buddy system**
 29 **each state fiscal year during the biennium. Of the foregoing appropriations, \$800,000**
 30 **shall be allocated to the Web Academy during each state fiscal year of the biennium.**
 31 **The remainng amounts shall be allocated for the development of community networks**
 32 **and information networks and the operation of the office of the special assistant**
 33 **to the superintendent of public instruction for technology. Expenditures from this**
 34 **fund shall be made only with the approval of the governor and the superintendent**
 35 **of public instruction.**

36

37 **TECHNOLOGY PLAN GRANT PROGRAM (IC 20-10.1-25.3)**

38	Total Operating Expense		5,000,000
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39

40 **FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND**

41 **POSTRETIREMENT PENSION INCREASES**

42	Other Operating Expense	39,229,000	36,532,000
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43

44 **The appropriations for postretirement pension increases are made for those benefits**
 45 **and adjustments provided in IC 21-6.1-6 and IC 5-10.2-5.**

46

47 **TEACHERS' RETIREMENT FUND DISTRIBUTION**

48 **General Fund**

49	Other Operating Expense	266,300,000	310,300,000
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1	Pension Stabilization Fund (IC 21-6.1-2-8)		
2	Other Operating Expense	190,000,000	190,000,000

3

4 If the amount required for the pre-1996 account of the teachers' retirement fund

5 for actual benefit payments is greater than the above appropriations plus the transfer

6 for pension fund contributions, after notice to the governor and the budget agency

7 of the deficiency, the above appropriations shall be augmented from the pension stabilization

8 fund. If the amount required for the pre-1996 account of the teachers' retirement

9 fund for actual benefit payments for a year is less than the above appropriations

10 plus the transfer for pension fund contributions for the year, the excess shall be

11 transferred to the state general fund.

12

13 **FOR THE PROFESSIONAL STANDARDS BOARD - ADMINISTRATION**

14	Personal Services	2,172,556	2,168,448
15	Other Operating Expense	4,633,968	4,638,076

16

17 Each mentor teacher is entitled to a maximum annual stipend of \$600 to be paid from

18 the foregoing appropriations.

19

20 There is created the professional standards board licensing fund to be administered

21 by the professional standards board. The fund shall consist of fee revenues collected

22 under the provisions of IC 20-1-1.4-7. Money in the fund does not revert at the end

23 of the state fiscal year. Money in the fund is continuously appropriated for use

24 by the board for administrative expenses in relation to carrying out its duties under

25 the provisions of IC 20-1-1.4-7.

26

27 The above appropriations for professional standards board administration are in addition

28 to the appropriation made to the professional standards licensing fund established

29 in this SECTION.

30

31 **C. OTHER EDUCATION**

32

33 **FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD**

34	Personal Services	682,944	682,944
35	Other Operating Expense	41,838	41,838

36 **PUBLIC EMPLOYEE RELATIONS BOARD**

37	Total Operating Expense	32,550	32,550
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38

39 **FOR THE STATE LIBRARY**

40	Personal Services	2,690,045	2,690,045
41	Other Operating Expense	752,550	752,550

42 **DISTRIBUTION TO PUBLIC LIBRARIES**

43	Other Operating Expense	607,936	607,936
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44

45 The foregoing appropriations for distribution to public libraries shall be distributed

46 among the public libraries of the state of Indiana under IC 4-23-7.1. However, a

47 public library district that does not provide for the issuance of library cards free

48 of charge or for a fee to all individuals who reside in the county in which that

49 public library district is located shall not be considered an eligible public library



district in determining the amounts to be distributed under IC 4-23-7.1 and is not entitled to a distribution under IC 4-23-7.1.

INDIANA COOPERATIVE LIBRARY SERVICES AUTHORITY

Total Operating Expense	2,408,848	2,408,848
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ACADEMY OF SCIENCE

Total Operating Expense	8,811	8,811
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FOR THE ARTS COMMISSION

Personal Services	320,866	320,866
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Other Operating Expense	3,296,471	3,296,471
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FOR THE HISTORICAL BUREAU

Personal Services	364,618	364,618
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Other Operating Expense	16,902	16,902
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HISTORICAL MARKER PROGRAM

Total Operating Expense		35,000
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FOR THE COMMISSION ON PROPRIETARY EDUCATION

Personal Services	389,349	389,349
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Other Operating Expense	37,175	37,175
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SECTION 10. [EFFECTIVE JULY 1, 2003]

DISTRIBUTIONS

FOR THE PROPERTY TAX REPLACEMENT FUND BOARD

Property Tax Replacement Fund (IC 6-1.1-21)

Total Operating Expense	1,928,549,699	2,029,734,638
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Adjustments may be made to this appropriation under IC 6-1.1-21-4.

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

WELFARE TAX LEVY REPLACEMENT FUND

From the General Fund

Total Operating Expense	27,522,204	27,522,204
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From Excise and Financial Institution Taxes

Total Operating Expense	6,063,529	6,063,529
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Augmentation allowed.

From Child Support Collections

Total Operating Expense	2,000,000	2,000,000
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Augmentation allowed.

SECTION 11. [EFFECTIVE JULY 1, 2003]

The following allocations of federal funds are available for vocational and technical education under the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301, et seq. for Vocational and Technical Education) (20 U.S.C. 2371 for Tech Prep Education). These funds shall be received by the department of workforce



development, commission on vocational and technical education, and shall be allocated by the budget agency after consultation with the commission on vocational and technical education, the department of education, the commission for higher education, and the department of correction. Funds shall be allocated to these agencies in accordance with the allocations specified below:

ADMINISTRATION

494,923	494,923
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STATE PROGRAMS AND LEADERSHIP

2,664,322	2,664,322
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SECONDARY VOCATIONAL PROGRAMS

14,931,111	14,931,111
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POSTSECONDARY VOCATIONAL PROGRAMS

8,552,863	8,552,863
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TECHNOLOGY - PREPARATION EDUCATION

2,499,812	2,499,812
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CAREER RESOURCE NETWORK STATE GRANTS

150,963	150,963
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SECTION 12. [EFFECTIVE JULY 1, 2003]

In accordance with IC 20-1-18.3, the budget agency, with the advice of the commission on vocational and technical education and the budget committee, may augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2003]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

SECTION 14. [EFFECTIVE JULY 1, 2003]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses



are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of \$50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than \$90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than \$85 for any twenty-four (24) hour period; while traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than \$65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2003]

Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is \$50 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2003]

No payment for personal services shall be made by the auditor of state unless the payment has been approved by the budget agency or the designee of the budget agency.

SECTION 17. [EFFECTIVE JULY 1, 2003]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution have been deposited into the state treasury for the month. However, if a department



1 or an institution has more than \$10,000 in daily receipts, the receipts shall be
2 deposited into the state treasury daily.

3
4 **SECTION 18. [EFFECTIVE JULY 1, 2003]**

5
6 In case of loss by fire or any other cause involving any state institution or department,
7 the proceeds derived from the settlement of any claim for the loss shall be deposited
8 in the state treasury, and the amount deposited is hereby reappropriated to the institution
9 or department for the purpose of replacing the loss. If it is determined that the
10 loss shall not be replaced, any funds received from the settlement of a claim shall
11 be deposited into the state general fund.

12
13 **SECTION 19. [EFFECTIVE JULY 1, 2003]**

14
15 If an agency has computer equipment in excess of the needs of that agency, then the
16 excess computer equipment may be sold under the provisions of surplus property sales,
17 and the proceeds of the sale or sales shall be deposited in the state treasury. The
18 amount so deposited is hereby reappropriated to that agency for other operating expenses
19 of the then current year, if approved by the director of the budget agency.

20
21 **SECTION 20. [EFFECTIVE JULY 1, 2003]**

22
23 If any state penal or benevolent institution other than the Indiana state prison,
24 Pendleton correctional facility, or Putnamville correctional facility shall, in the
25 operation of its farms, produce products or commodities in excess of the needs of
26 the institution, the surplus may be sold through the division of industries and farms,
27 the director of the supply division of the Indiana department of administration,
28 or both. The proceeds of any such sale or sales shall be deposited in the state treasury.
29 The amount deposited is hereby reappropriated to the institution for expenses of
30 the then current year if approved by the director of the budget agency. The exchange
31 between state penal and benevolent institutions of livestock for breeding purposes
32 only is hereby authorized at valuations agreed upon between the superintendents or
33 wardens of the institutions. Capital outlay expenditures may be made from the institutional
34 industries and farms revolving fund if approved by the budget agency and the governor.

35
36 **SECTION 21. [EFFECTIVE JULY 1, 2003]**

37
38 This act does not authorize any rehabilitation and repairs to any state buildings,
39 nor does it allow that any obligations be incurred for lands and structures, without
40 the prior approval of the budget director or the director's designee. This SECTION
41 does not apply to contracts for the construction or maintenance of roads and bridges,
42 to the acquisition of rights-of-way for roads or bridges, or to the state universities
43 supported in whole or in part by state funds.

44
45 **SECTION 22. [EFFECTIVE JULY 1, 2003]**

46
47 If an agency has an annual appropriation fixed by law, and if the agency also receives
48 an appropriation in this act for the same function or program, the appropriation
49 in this act supersedes any other appropriations and is the total appropriation for



1 the agency for that program or function.

2
3 **SECTION 23. [EFFECTIVE JULY 1, 2003]**

4
5 The balance of any appropriation or funds heretofore placed or remaining to the credit
6 of any division of the state of Indiana, and any appropriation or funds provided
7 in this act placed to the credit of any division of the state of Indiana, the powers,
8 duties, and functions whereof are assigned and transferred to any department for
9 salaries, maintenance, operation, construction, or other expenses in the exercise
10 of such powers, duties, and functions, shall be transferred to the credit of the
11 department to which such assignment and transfer is made, and the same shall be available
12 for the objects and purposes for which appropriated originally.

13
14 **SECTION 24. [EFFECTIVE JULY 1, 2003]**

15
16 The director of the division of procurement of the Indiana department of administration,
17 or any other person or agency authorized to make purchases of equipment, shall not
18 honor any requisition for the purchase of an automobile that is to be paid for from
19 any appropriation made by this act or any other act, unless the following facts are
20 shown to the satisfaction of the commissioner of the department of administration
21 or the commissioner's designee.

22 (1) In the case of an elected state officer, it shall be shown that the duties of
23 the office require driving about the state of Indiana in the performance of official
24 duty.

25 (2) In the case of department or commission heads, it shall be shown that the statutory
26 duties imposed in the discharge of the office require traveling a greater distance
27 than one thousand (1,000) miles each month or that they are subject to official duty
28 call at all times.

29 (3) In the case of employees, it shall be shown that the major portion of the duties
30 assigned to the employee require travel on state business in excess of one thousand
31 (1,000) miles each month, or that the vehicle is identified by the agency as an integral
32 part of the job assignment. In computing the number of miles required to be driven
33 by a department head or an employee, the distance between the individual's home and
34 office or designated official station is not to be considered as a part of the total.
35 Department heads shall annually submit justification for the continued assignment
36 of each vehicle in their department, which shall be reviewed by the commissioner
37 of the Indiana department of administration, or the commissioner's designee. There
38 shall be an insignia permanently affixed on each side of all state owned cars, designating
39 the cars as being state owned. However, this requirement does not apply to state
40 owned cars driven by elected state officials or to cases where the commissioner of
41 the Indiana department of administration or the commissioner's designee determines
42 that affixing insignia on state owned cars would hinder or handicap the persons driving
43 the cars in the performance of their official duties.

44
45 **SECTION 25. [EFFECTIVE JULY 1, 2003]**

46
47 The budget agency may refer to the budget committee any budgetary or fiscal matter
48 for an advisory recommendation. The budget committee may hold hearings and take
49 any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to



the budget agency.

SECTION 26. [EFFECTIVE JULY 1, 2003]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government and this act, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the purpose, acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 27. [EFFECTIVE JULY 1, 2003]

Federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

SECTION 28. [EFFECTIVE JULY 1, 2003]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director. Each demand for payment submitted by the agency or department to the auditor of state by claim voucher under such contracts or agreements shall be accompanied by a copy of the budget agency approval, or approval of any agency to whom the budget agency delegated signature authority, and no payment shall be made by the auditor of state without such approval. This SECTION does not apply to any contract entered into by an agency or department of state government that is the result of a public works project contract under IC 4-13.6.

SECTION 29. [EFFECTIVE JULY 1, 2003]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 30. [EFFECTIVE JULY 1, 2003]

Subject to SECTION 25 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2003-2005 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 31. [EFFECTIVE JULY 1, 2002 (RETROACTIVE)]

The following appropriation is made for FY 2002-2003 in addition to those



found in P.L. 291-2001:
 (a) From the General Fund
 Distribution for Tuition Support \$11,397,053

SECTION 32. [EFFECTIVE JULY 1, 2003]

CONSTRUCTION

For the 2003-2005 biennium, the following amounts, from the funds listed as follows, are hereby appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals and the purchase and sale of land, including equipment for such properties.

State General Fund - Lease Rentals	
	237,980,875
State General Fund - Construction	
	160,613,835
State Police Building Commission Fund (IC 9-1-2-1.5)	
	3,000,000
Law Enforcement Academy Building Fund (IC 5-2-1-13)	
	761,000
Cigarette Tax Fund (IC 6-7-1-29.1)	
	3,700,000
Soldiers' and Sailors' Children's Home Construction Fund (IC 16-33-4-10)	
	1,000,000
Indiana Heritage Trust Fund (IC 14-12-2-25)	
	2,000,000
Veterans' Home Construction Fund (IC 10-6-1-9)	
	4,382,331
Post War Construction Fund (IC 7.1-4-8-1)	
	38,120,639
Industry and Farm Products Revolving Fund (IC 11-10-6-6)	
	3,252,207
Tobacco Master Settlement Agreement	
Regional Health Care Construction Account (IC 4-12-8.5)	
	2,900,000
TOTAL	457,710,887

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

A. GENERAL GOVERNMENT

FOR THE INDIANA SENATE



1	Senate Renovations	250,000
2		
3	FOR THE STATE BUDGET AGENCY	
4	Health and Safety Contingency Fund	1,600,000
5	Indiana University-Purdue University at Fort Wayne	
6	- Northeast Indiana Innovation Center	5,000,000
7	Qualitech Lease Payment	5,717,877
8	Heartland Steel Lease Payment	2,386,515
9		
10	Tobacco Master Settlement Agreement	
11	Regional Health Care Construction Account (IC 4-12-8.5)	
12	State Operated Health Facilities	2,900,000
13		
14	DEPARTMENT OF ADMINISTRATION - PROJECTS	
15	Preventive Maintenance	4,811,020
16	Repair and Rehabilitation	4,000,000
17	Capitol Complex Space Utilization Study	100,000
18	State Office Space Consolidation	500,000
19		
19	DEPARTMENT OF ADMINISTRATION - LEASES	
20	IDOA Parking Facilities Capital Lease	13,222,641
21	Indiana Government Center North	32,486,999
22	Indiana Government Center South	33,882,357
23	Indiana State Museum	12,566,639
24	Wabash Valley Correctional Facility	28,251,175
25	Rockville Correctional Facility	8,665,153
26	Miami Correctional Facility	30,434,507
27	Pendleton Juvenile Correctional Facility	9,416,207
28	New Castle Correctional Facility	18,466,230
29		
30	B. PUBLIC SAFETY	
31		
32	(1) LAW ENFORCEMENT	
33		
34	INDIANA STATE POLICE	
35	State Police Building Commission Fund (IC 9-1-2-1.5)	
36	Preventive Maintenance	1,080,050
37	Repair and Rehabilitation	1,919,950
38		
39	LAW ENFORCEMENT TRAINING BOARD	
40	Law Enforcement Academy Building Fund (IC 5-2-1-13)	
41	Preventive Maintenance	353,000
42	Repair and Rehabilitation	408,000
43	ADJUTANT GENERAL	
44	Preventive Maintenance	250,000
45	Repair and Rehabilitation	1,637,900
46		
47	(2) CORRECTIONS	
48		
49	DEPARTMENT OF CORRECTION - PROJECTS	



	<i>FY 2003-2004 Appropriation</i>	<i>FY 2004-2005 Appropriation</i>	<i>Biennial Appropriation</i>
1 Post War Construction Fund (IC 7.1-4-8-1)			
2 Repair and Rehabilitation			1,466,735
3 CORRECTIONAL UNITS			
4 Preventive Maintenance			420,000
5 Post War Construction Fund (IC 7.1-4-8-1)			
6 Repair and Rehabilitation			10,526,935
7 STATE PRISON			
8 Preventive Maintenance			1,161,322
9 Post War Construction Fund (IC 7.1-4-8-1)			
10 Repair and Rehabilitation			5,008,595
11 PENDLETON CORRECTIONAL FACILITY			
12 Preventive Maintenance			996,396
13 Post War Construction Fund (IC 7.1-4-8-1)			
14 Repair and Rehabilitation			2,710,103
15 WOMEN'S PRISON			
16 Preventive Maintenance			273,000
17 Post War Construction Fund (IC 7.1-4-8-1)			
18 Repair and Rehabilitation			3,375,000
19 NEW CASTLE CORRECTIONAL FACILITY			
20 Preventive Maintenance			660,660
21 PUTNAMVILLE CORRECTIONAL FACILITY			
22 Preventive Maintenance			843,022
23 Post War Construction Fund (IC 7.1-4-8-1)			
24 Repair and Rehabilitation			2,191,943
25 PLAINFIELD JUVENILE CORRECTIONAL FACILITY			
26 Preventive Maintenance			543,947
27 Repair and Rehabilitation			5,136,800
28 Post War Construction Fund (IC 7.1-4-8-1)			
29 Repair and Rehabilitation			979,788
30 INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
31 Preventive Maintenance			325,146
32 Post War Construction Fund (IC 7.1-4-8-1)			
33 Repair and Rehabilitation			1,544,500
34 BRANCHVILLE CORRECTIONAL FACILITY			
35 Preventive Maintenance			344,870
36 Post War Construction Fund (IC 7.1-4-8-1)			
37 Repair and Rehabilitation			394,650
38 WESTVILLE CORRECTIONAL FACILITY			
39 Preventive Maintenance			1,191,891
40 Post War Construction Fund (IC 7.1-4-8-1)			
41 Repair and Rehabilitation			2,486,215
42 ROCKVILLE CORRECTIONAL FACILITY			
43 Preventive Maintenance			344,870
44 PLAINFIELD CORRECTIONAL FACILITY			
45 Preventive Maintenance			575,751
46 Post War Construction Fund (IC 7.1-4-8-1)			
47 Repair and Rehabilitation			2,321,800
48 RECEPTION-DIAGNOSTIC CENTER			
49 Preventive Maintenance			216,472



1	Post War Construction Fund (IC 7.1-4-8-1)	
2	Preventive Maintenance	814,280
3	PEN PRODUCTS	
4	Industry and Farm Products Revolving Fund (IC 11-10-6-6)	
5	Preventive Maintenance	110,292
6	Modification of CIF Food Processing Plt.	3,141,915
7	CORRECTIONAL INDUSTRIAL FACILITY	
8	Preventive Maintenance	520,023
9	Post War Construction Fund (IC 7.1-4-8-1)	
10	Repair and Rehabilitation	1,057,700
11	WORK RELEASE CENTERS	
12	Preventive Maintenance	100,732
13	Post War Construction Fund (IC 7.1-4-8-1)	
14	Repair and Rehabilitation	70,480
15	WABASH VALLEY CORRECTIONAL FACILITY	
16	Preventive Maintenance	833,560
17	Post War Construction Fund (IC 7.1-4-8-1)	
18	Repair and Rehabilitation	3,171,915
19	MIAMI CORRECTIONAL FACILITY	
20	Preventive Maintenance	521,400
21	PENDLETON JUVENILE CORRECTIONAL FACILITY	
22	Preventive Maintenance	364,000
23		
24	C. CONSERVATION AND ENVIRONMENT	
25		
26	DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION	
27	Repair and Rehabilitation	1,000,000
28	FISH AND WILDLIFE	
29	Preventive Maintenance	1,810,863
30	Repair and Rehabilitation	3,372,000
31	FORESTRY	
32	Preventive Maintenance	1,884,200
33	Repair and Rehabilitation	5,119,650
34	HISTORIC SITES	
35	Preventive Maintenance	331,586
36	Repair and Rehabilitation	2,000,000
37	NATURE PRESERVES	
38	Preventive Maintenance	109,200
39	Repair and Rehabilitation	1,093,000
40	OUTDOOR RECREATION	
41	Preventive Maintenance	33,306
42	Repair and Rehabilitation	575,000
43	STATE PARKS AND RESERVOIR MANAGEMENT	
44	Preventive Maintenance	1,562,774
45	Drinking Water and Wastewater Systems	5,000,000
46	Repair and Rehabilitation	24,800,000
47	Cigarette Tax Fund (IC 6-7-1-29.1)	
48	Preventive Maintenance	3,700,000
49	Indiana Heritage Trust Fund (IC 14-12-2-25)	



1	Land Acquisition for Prophetstown State Park	2,000,000
2	DIVISION OF WATER	
3	Preventive Maintenance	315,000
4	Dams Repair and Rehabilitation	2,000,000
5	Repair and Rehabilitation	925,000
6	ENFORCEMENT	
7	Preventive Maintenance	207,480
8	Repair and Rehabilitation	500,000
9	STATE MUSEUM	
10	Preventive Maintenance	600,000
11	OIL AND GAS	
12	Oil&Gas - Partnership Programs	200,000
13	ENTOMOLOGY	
14	Repair and Rehabilitation	200,000
15	WAR MEMORIALS COMMISSION	
16	Preventive Maintenance	1,421,494
17	Repair and Rehabilitation	2,754,503
18		
19	D. ECONOMIC DEVELOPMENT	
20		
21	DEPARTMENT OF COMMERCE	
22	Airport Facilities Lease	40,513,245
23	Aviation Technology	1,971,330
24		
25	E. TRANSPORTATION	
26		
27	AIRPORT DEVELOPMENT	
28	Airport Development	1,100,000
29		
30	The foregoing allocation for the Indiana department of transportation is for airport	
31	development and shall be used for the purpose of assisting local airport authorities	
32	and local units of government in matching available federal funds under the airport	
33	improvement program and for matching federal grants for airport planning and for	
34	the other airport studies. Matching grants of aid shall be made in accordance with	
35	the approved annual capital improvements program of the Indiana department of	
36	transportation and with the approval of the governor and the budget agency.	
37		
38	F. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS	
39		
40	(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION	
41		
42	FSSA CONSTRUCTION	
43	Repair and Rehabilitation	4,704,468
44	EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER	
45	Preventive Maintenance	45,632
46	Repair and Rehabilitation	50,000
47	EVANSVILLE STATE HOSPITAL	
48	Preventive Maintenance	756,756
49	Repair and Rehabilitation	1,629,450



1	MADISON STATE HOSPITAL	
2	Preventive Maintenance	971,409
3	Repair and Rehabilitation	1,049,110
4	LOGANSPOUT STATE HOSPITAL	
5	Preventive Maintenance	963,144
6	Repair and Rehabilitation	4,697,361
7	RICHMOND STATE HOSPITAL	
8	Preventive Maintenance	1,210,724
9	Repair and Rehabilitation	1,050,400
10	LARUE CARTER MEMORIAL HOSPITAL	
11	Preventive Maintenance	1,484,134
12	Repair and Rehabilitation	1,500,000
13	FORT WAYNE STATE DEVELOPMENTAL CENTER	
14	Preventive Maintenance	1,424,803
15	Repair and Rehabilitation	3,000,000
16	MUSCATATUCK STATE DEVELOPMENTAL CENTER	
17	Preventive Maintenance	1,257,449
18	Repair and Rehabilitation	1,000,000
19		
20	(2) PUBLIC HEALTH	
21		
22	DEPARTMENT OF HEALTH	
23	Preventive Maintenance	130,000
24	SILVERCREST CHILDREN'S DEVELOPMENT CENTER	
25	Preventive Maintenance	161,140
26	SCHOOL FOR THE BLIND	
27	Preventive Maintenance	565,714
28	Repair and Rehabilitation	2,750,000
29	SCHOOL FOR THE DEAF	
30	Preventive Maintenance	553,120
31	Repair and Rehabilitation	2,422,527
32	SOLDIERS' AND SAILORS' CHILDREN'S HOME	
33	Preventive Maintenance	350,446
34	Repair and Rehabilitation	1,730,000
35	Soldiers' and Sailors' Children's Home Construction Fund (IC 16-33-4-10)	
36	Repair and Rehabilitation	1,000,000
37		
38	(3) VETERANS' AFFAIRS	
39		
40	INDIANA VETERANS' HOME	
41	Veterans' Home Construction Fund (IC 10-6-1-9)	
42	Preventive Maintenance	697,331
43	Repair and Rehabilitation	3,685,000
44		
45	G. EDUCATION	
46		
47	HIGHER EDUCATION	
48		
49	INDIANA UNIVERSITY - TOTAL SYSTEM	



1	General Repair and Rehab	13,481,316
2	PURDUE UNIVERSITY - TOTAL SYSTEM	
3	General Repair and Rehab	10,697,838
4	INDIANA STATE UNIVERSITY	
5	General Repair and Rehab	2,655,002
6	UNIVERSITY OF SOUTHERN INDIANA	
7	General Repair and Rehab	515,734
8	BALL STATE UNIVERSITY	
9	General Repair and Rehab	3,375,872
10	VINCENNES UNIVERSITY	
11	General Repair and Rehab	1,293,416
12	IVY TECH STATE COLLEGE	
13	General Repair and Rehab	949,032

14
15 **SECTION 33. [EFFECTIVE UPON PASSAGE]**

16
17 Notwithstanding the provisions of P.L. 291-2001, any part of the appropriation
18 for the 2001-2003 biennium for the personal services/fringe benefits contingency
19 fund in excess of \$26,000,000 that remains on June 30, 2003, does not revert to the
20 state general fund, but remains available for salary and benefit increases and an
21 employee leave conversion program and may not be used for any other purpose.
22

23 Notwithstanding the provisions of P.L. 291-2001, any part of the appropriation for
24 the 2001-2003 biennium for the employee recruitment and retention fund in excess
25 of \$4,000,000 that remains on June 30, 2003, does not revert to the state general
26 fund. The funds remain available for a state employee recruitment and retention plan
27 for professional, technical and managerial employees and may not be used for any
28 other purpose.
29

30 **SECTION 34. [EFFECTIVE JULY 1, 2003]**

31
32 The budget agency may employ one (1) or more architects or engineers to inspect
33 construction, rehabilitation, and repair projects covered by the appropriations in
34 this act or previous acts designated in this act.
35

36 **SECTION 35. [EFFECTIVE JULY 1, 2003]**

37
38 If any part of a construction or rehabilitation and repair appropriation made by
39 this act or any previous acts has not been allotted or encumbered before the expiration
40 of two (2) biennia, the budget agency may determine that the balance of the appropriation
41 is not available for allotment. The appropriation may be terminated and the balance
42 may revert to the fund from which the original appropriation was made.
43

44 **SECTION 36. [EFFECTIVE JULY 1, 2003]**

45
46 If the budget director makes a determination at any time during either fiscal year of the
47 biennium that the executive branch of state government cannot meet its statutory
48 obligations due to insufficient funds in the state general fund, then notwithstanding
49 IC 4-10-18, the budget agency, with the approval of the governor and after review by the



1 **budget committee, may transfer from the counter-cyclical revenue and economic**
2 **stabilization fund to the state general fund an amount necessary to maintain a**
3 **positive balance in the state general fund.**

4 **SECTION 37. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to the following**
5 **revolving or rotary funds administered by the department of administration:**

- 6 **(1) The telecommunications revolving fund (5220/106000);**
- 7 **(2) The general services rotary fund (mail room) (5220/106100);**
- 8 **(3) The motor pool revolving rotary fund (5220/106200);**
- 9 **(4) The stationary store rotary fund (5220/106300);**
- 10 **(5) The printing rotary fund (5220/106400); and**
- 11 **(6) The information technology fund - transferred funds (5220/106500).**

12 **(b) If the proceeds of a fee charged for a service by the department of administration are**
13 **required to be deposited into a fund listed in subsection (a), that fee:**

- 14 **(1) may not be increased during the period of time this SECTION is in effect; and**
- 15 **(2) shall be reduced under the conditions listed in subsection (d).**

16 **(c) The department of administration may not bill any agency for payment for a service**
17 **described in subsection (b) before providing the service to the agency.**

18 **(d) If on June 30, 2003, or on June 30, 2004, the balance of any of the funds listed in**
19 **subsection (a) exceeds five million dollars (\$5,000,000), the department of administration**
20 **shall reduce the fees charged for services relating to that fund by an amount determined**
21 **to reduce the balance of the fund on the following June 30 to an amount that does not**
22 **exceed five million dollars (\$5,000,000).**

23 **(e) This SECTION expires July 1, 2005.**

24 **SECTION 38. IC 4-15-1.8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON**
25 **PASSAGE]: Sec. 7. (a) The department shall do the following:**

- 26 **(1) Develop personnel policies, methods, procedures, and standards for all state agencies.**
- 27 **(2) Formulate, establish, and administer position classification plans and salary and wage**
- 28 **schedules, all subject to final approval by the governor.**
- 29 **(3) Allocate positions in the state agencies to their proper classifications.**
- 30 **(4) Approve employees for transfer, demotion, promotion, suspension, layoff, and dismissal.**
- 31 **(5) Rate employees' service.**
- 32 **(6) Arrange with state agency heads for employee training.**
- 33 **(7) Investigate the need for positions in the state agencies.**
- 34 **(8) Promulgate and enforce personnel rules.**
- 35 **(9) Make and administer examinations for employment and for promotions.**
- 36 **(10) Maintain personnel records and a roster of the personnel of all state agencies.**
- 37 **(11) Render personnel services to the political subdivisions of Indiana.**
- 38 **(12) Investigate the operation of personnel policies in all state agencies.**
- 39 **(13) Assist state agencies in the improvement of their personnel procedures.**
- 40 **(14) Conduct a vigorous program of recruitment of qualified and able persons for the state**
- 41 **agencies.**
- 42 **(15) Advise the governor and the general assembly of legislation needed to improve the**
- 43 **personnel system of this state.**
- 44 **(16) Furnish any information and counsel requested by the governor or the general**
- 45 **assembly.**
- 46 **(17) Establish and administer an employee training and career advancement program.**
- 47 **(18) Administer the state personnel law, IC 4-15-2.**
- 48 **(19) Institute an employee awards system designed to encourage all state employees to**
- 49 **submit suggestions that will reduce the costs or improve the quality of state agencies.**
- 50 **(20) Survey the administrative organization and procedures, including personnel**
- 51 **procedures, of all state agencies, and submit to the governor measures to secure greater**



1 efficiency and economy, to minimize the duplication of activities, and to effect better
2 organization and procedures among state agencies.

3 (b) Salary and wage schedules established by the department under subsection (a) must
4 provide for the establishment of overtime policies, which must include the following:

- 5 (1) Definition of overtime.
- 6 (2) Determination of employees or classes eligible for overtime pay.
- 7 (3) Procedures for authorization.
- 8 (4) Methods of computation.
- 9 (5) Procedures for payment.
- 10 (6) A provision that there shall be no mandatory adjustments to an employee's established
11 work schedule in order to avoid the payment of overtime.

12 (c) The state personnel advisory board shall advise the director and cooperate in the
13 improvement of all the personnel policies of the state.

14 (d) By January 1, 1984, the department shall establish programs of temporary appointment for
15 employees of state agencies. A program established under this subsection must contain at least
16 the following provisions:

- 17 (1) A temporary appointment may not exceed one hundred eighty (180) working days in any
18 twelve (12) month period.
- 19 (2) The department may allow exceptions to the prohibition in subdivision (1) with the
20 approval of the state budget agency.
- 21 (3) A temporary appointment in an agency covered by IC 4-15-2 is governed by the
22 procedures of that chapter.
- 23 (4) **A temporary appointment does not constitute creditable service for purposes of the**
24 **public employees' retirement program under IC 5-10.2 and IC 5-10.3. However, an**
25 **employee who served in an intermittent form of temporary employment after June 30,**
26 **1986, and before July 1, 2003, shall receive creditable service for the period of**
27 **temporary employment.**

28 SECTION 39. IC 4-15-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
29 PASSAGE]: Sec. 2. **Except as provided in IC 4-15-1.8-7(d)**, all persons covered on January 1,
30 1966, by this chapter or coming under the provisions of this chapter after January 1, 1966, shall
31 be eligible for, shall participate in, and shall receive the benefits of the public employees
32 retirement program as provided by IC 5-10.2 and IC 5-10.3.

33 SECTION 40. IC 4-30-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
34 1, 2003]: Sec. 7. (a) The commission shall adopt rules under IC 4-22-2 governing the
35 establishment, implementation, and operation of the lottery, including the following:

- 36 (1) The type of lottery games to be conducted, except that:
 - 37 (A) the name of an elected official may not appear on a ticket or play slip of a lottery
38 game, on a prize, or on an instrument used for the payment of prizes, unless the prize is
39 in the form of a state warrant; and
 - 40 (B) coins or currency may not be dispensed from an electronic computer terminal or
41 device used in a lottery game.
- 42 (2) The sales price of tickets.
- 43 (3) The number and size of prizes.
- 44 (4) The method of selecting winning tickets. However, if a lottery game involves a drawing,
45 the drawing must be public and witnessed by an independent certified public accountant.
46 The equipment used in the drawing shall be inspected before and after the drawing.
- 47 (5) The manner of payment of prizes to holders of winning tickets.
- 48 (6) The frequency of drawings of winning tickets.
- 49 (7) The number and type of locations at which tickets may be purchased.
- 50 (8) The method to be used in selling tickets.
- 51 (9) The manner and amount of compensation of retailers.



(10) The feasibility of using for a lottery game a terminal or device that may be operated solely by the player without the assistance of a retailer.

(11) A system of internal audits.

(12) The establishment of a code of ethics for officers and employees of the commission.

(13) Any other matters necessary or desirable for the efficient or economical operation of the lottery or for the convenience of the public.

(b) Lottery games authorized by the commission shall not include keno.

SECTION 41. IC 4-33-13-5, AS AMENDED BY P.L.192-2002(ss), SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002 (RETROACTIVE)]: Sec. 5. (a) After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) **Before July 1, 2003**, the first thirty-three million dollars (\$33,000,000) of tax revenues collected in a state fiscal year under this chapter shall be ~~set aside for deposited in the state general fund and, after June 30, 2003, the first thirty-three million dollars (\$33,000,000) of tax revenue collected in a state fiscal year under this chapter shall be distributed as~~ revenue sharing under subsection (d).

(2) Subject to subsection (b), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B).

(3) Subject to subsection (c), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. **In each state fiscal year beginning after June 30, 2003, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.**

(b) For each city and county receiving money under subsection (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city or county's base year revenue; and

(2) would otherwise be due to the city or county under this section; to the property tax replacement fund instead of to the city or county.

(c) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars



1 (\$250,000,000) during the state fiscal year beginning July 1, 2002, and two hundred
2 eighty-five million dollars (\$285,000,000) during each state fiscal year beginning after June
3 30, 2003:

4 (1) Surplus lottery revenues under IC 4-30-17-3.

5 (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.

6 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

7 The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations
8 of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the
9 property tax replacement fund under subsection (a)(3) to comply with this subsection, the
10 treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount
11 available in the property tax replacement fund from the transfers under subsection (a)(3) for the
12 state fiscal year.

13 (d) Before August 15 of 2003, and each year thereafter, the treasurer of state shall distribute
14 the ~~wagering taxes set aside for amount of~~ revenue sharing available for distribution in the
15 state fiscal year under subsection (a)(1) to the county treasurer of each county that does not have
16 a riverboat according to the ratio that the county's population bears to the total population of the
17 counties that do not have a riverboat. **Except as provided in subsection (g),** the county treasurer
18 auditor shall distribute the money received by the county under this subsection as follows:

19 (1) To each city located in the county according to the ratio the city's population bears to the
20 total population of the county.

21 (2) To each town located in the county according to the ratio the town's population bears to
22 the total population of the county.

23 (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall
24 be retained by the county.

25 (e) Money received by a city, town, or county under subsection (d) **or (g)** may be used only:

26 (1) to reduce the property tax levy of the city, town, or county for a particular year (a
27 property tax reduction under this subdivision does not reduce the maximum levy of the city,
28 town, or county under IC 6-1.1-18.5);

29 (2) for deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14,
30 IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for
31 property tax replacement in property tax increment allocation areas;

32 (3) to fund sewer and water projects, including storm water management projects; or

33 (4) for police and fire pensions.

34 However, not more than twenty percent (20%) of the money received under subsection (d) may
35 be used for the purpose described in subdivision (4).

36 (f) Before September 15 of 2003 and each year thereafter, the treasurer of state shall determine
37 the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state
38 fiscal year. If the treasurer of state determines that the total amount of money distributed to an
39 entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base
40 year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental
41 distribution to the entity from taxes collected under this chapter and deposited into the property
42 tax replacement fund. **After June 30, 2003, and before July 1, 2005, the amount of the**
43 **supplemental distribution is equal to the following:**

44 (1) For an entity described in IC 4-33-12-6(b)(1), IC 4-33-12-6(b)(2),
45 IC 4-33-12-6(b)(3), IC 4-33-12-6(d)(1), IC 4-33-12-6(d)(2), IC 4-33-12-6(d)(3), or
46 IC 4-33-12-6(d)(4), fifty percent (50%) of the difference between the entity's base year
47 revenue (as determined under IC 4-33-12-6) and the total amount of money distributed
48 to the entity during the preceding state fiscal year under IC 4-33-12-6.

49 (2) For an entity described in IC 4-33-12-6(b)(4) and IC 4-33-12-6(d)(5),
50 IC 4-33-12-6(b)(5) and IC 4-33-12-6(d)(6), and IC 4-33-12-6(b)(6) and
51 IC 4-33-12-6(d)(7), the amount of the supplemental distribution is equal to the



1 difference between the entity's base year revenue (as determined under IC 4-33-12-6)
2 and the total amount of money distributed to the entity during the preceding state
3 fiscal year under IC 4-33-12-6.

4 After June 30, 2005, the amount of the supplemental distribution is equal to the difference
5 between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount
6 of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6.

7 (g) This section applies only to a county containing a consolidated city. The county
8 auditor shall distribute the money received by the county under subsection (d) as follows:

9 (1) To each city, other than a consolidated city, located in the county according to the
10 ratio that the city's population bears to the total population of the county.

11 (2) To each town located in the county according to the ratio that the town's
12 population bears to the total population of the county.

13 (3) After the distributions required in subdivisions (1) and (2) are made, the remainder
14 shall be paid in equal amounts to the consolidated city and the county.

15 SECTION 42. IC 5-13-12-4, AS AMENDED BY P.L.281-2001, SECTION 1, IS AMENDED
16 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) The secretary-investment
17 manager shall administer, manage, and direct the affairs and activities of the board under the
18 policies and under the control and direction of the board. In carrying out these duties, the
19 secretary-investment manager has the power to do the following:

20 (1) Approve all accounts for salaries and allowable expenses of the board, including, but
21 not limited to:

22 (A) the employment of general or special attorneys, consultants, and employees and
23 agents as may be necessary to assist the secretary-investment manager in carrying out
24 the duties of that office and to assist the board in its consideration of applications for a
25 guarantee of an industrial development obligation or credit enhancement obligation
26 guarantee; and

27 (B) the setting of compensation of persons employed under subdivision (A).

28 (2) Approve all expenses incidental to the operation of the public deposit insurance fund.

29 (3) Perform other duties and functions that may be delegated to the secretary-investment
30 manager by the board or that are necessary to carry out the duties of the
31 secretary-investment manager under this chapter.

32 (b) The secretary-investment manager shall keep a record of the proceedings of the board, and
33 shall maintain and be custodian of all books, documents, and papers filed with the board, and its
34 official seal. The secretary-investment manager may make copies of all minutes and other records
35 and documents of the board, and may give certificates under seal of the board to the effect that
36 the copies are true copies. All persons dealing with the board may rely upon the certificates.

37 (c) Each year, beginning in 2001 and ending in 2011, after the treasurer of state prepares the
38 annual report required by IC 4-8.1-2-14, the secretary-investment manager shall determine:

39 (1) the amount of interest earned by the public deposit insurance fund during the state fiscal
40 year ending on the preceding June 30, after deducting:

41 (A) all expenses and other costs of the board for depositories that were not paid from
42 other sources during that state fiscal year; and

43 (B) all expenses and other costs associated with the Indiana education savings authority
44 that were not paid from other sources during that state fiscal year; ~~and~~

45 (2) the amount of interest earned during the state fiscal year ending on the preceding June
46 30 by the pension distribution fund established by subsection (g); **and**

47 (3) **in annual reports covering state fiscal years beginning after June 30, 2003, an**
48 **estimate of the interest that was not earned in the preceding state fiscal year as a result**
49 **of transferring money from the public deposit insurance fund to the state general fund**
50 **in the state fiscal year beginning July 1, 2003, and ending June 30, 2004, as a result of**
51 **legislation enacted in the 2003 session of the general assembly.**



(d) On or before November 1 of each year, beginning in 2001 and ending in 2011, the public employees' retirement fund shall provide a report to the secretary-investment manager concerning the individual and aggregate payments made by all units of local government (as defined in IC 5-10.3-11-3) during the preceding calendar year for benefits under the police and firefighter pension funds established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5.

(e) On or before the last business day of November of each year, beginning in 2001 and ending in 2011, the secretary-investment manager shall compute the amount of earned interest to be distributed under this section to each unit of local government (as defined in IC 5-10.3-11-3) in accordance with subsection (h) according to the following formula:

STEP ONE: Add the amount determined under subsection (c)(1) to the amount determined under subsection (c)(2).

STEP TWO: Divide the STEP ONE sum by the aggregate amount of payments made by all units of local government during the preceding calendar year for benefits under the police and firefighter pension funds established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5, as reported under subsection (d).

STEP THREE: Multiply the STEP TWO quotient by the amount of payments made by each unit of local government during the preceding calendar year for benefits under the police and firefighter pension funds established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5, as reported under subsection (d).

(f) Subject to subsection (j), on or before the last business day of December of each year, beginning in 2001 and ending in 2011, the secretary-investment manager shall provide to the auditor of state:

(1) a report setting forth the amounts to be distributed to units of local government, as determined under subsection (e); and

(2) a check payable from the public deposit insurance fund to the pension distribution fund established by subsection (g) in an amount equal to the amount determined under subsection (c)(1).

(g) The pension distribution fund is established. The pension distribution fund shall be administered by the treasurer of state. The treasurer of state shall invest money in the pension distribution fund not currently needed to meet the obligations of the pension distribution fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the pension distribution fund. Money in the pension distribution fund at the end of a state fiscal year does not revert to the state general fund.

(h) Subject to subsection (j), on June 30 and October 1 of each year, beginning in 2002 and ending in 2012, the auditor of state shall distribute in two (2) equal installments from the pension distribution fund to the fiscal officer of each unit of local government identified under subsection (d) the amount computed for that unit under subsection (e) in November of the preceding year.

(i) Each unit of local government shall deposit distributions received under subsection (h) in the pension fund or funds identified by the secretary-investment manager and shall use those distributions to pay a portion of the obligations with respect to the pension fund or funds.

(j) Before providing a check to the auditor of state under subsection (f)(2) in December of any year, the secretary-investment manager shall determine:

(1) the total amount of payments made from the public deposit insurance fund under IC 5-13-13-3 after June 30, 2001;

(2) the total amount of payments received by the board for depositories and deposited in the public deposit insurance fund under IC 5-13-13-3 after June 30, 2001; and

(3) the total amount of interest earned by the public deposit insurance fund after the first of the payments described in subdivision (1).

If the total amount of payments determined under subdivision (1) less the total amount of payments determined under subdivision (2) (referred to in this subsection as the "net draw on the fund") exceeds ten million dollars (\$10,000,000) and also exceeds the total amount of interest



determined under subdivision (3), the secretary-investment manager may not provide a check to the auditor of state under subsection (f)(2) and a distribution may not be made from the pension distribution fund under subsection (h) in the following calendar year until the total amount of interest earned by the public deposit insurance fund equals the net draw on the fund. A check may not be provided under subsection (f)(2) and a distribution may not be made under subsection (f) in any subsequent calendar year if a study conducted by the board under section 7(b) of this chapter demonstrates that payment of the distribution would reduce the balance of the public deposit insurance fund to a level insufficient to ensure the safekeeping and prompt payment of public funds to the extent they are not covered by insurance of any federal deposit insurance agency.

(k) The secretary-investment manager and the auditor of state shall provide for a supplemental distribution of money to units that receive a distribution of interest under this section. The total amount of the distribution is equal to an estimate made by the secretary-investment manager of the interest that was not earned in the preceding state fiscal year as a result of transferring money from the public deposit insurance fund to the state general fund in the state fiscal year beginning July 1, 2003, and ending June 30, 2004, as a result of a budget bill enacted in the 2003 session of the general assembly. The amount of the total distribution shall be transferred from the public deposit insurance fund to the pension distribution fund in the same manner and at the same time as a transfer is made under subsection (f). A distribution under this subsection to units shall be made at the same time and in the same manner as distributions are made under subsection (h). Each unit shall receive a distribution under this subsection in the same proportion as the unit's share of the total amount distributed under subsection (h). Money distributed under this subsection may be used only for the purposes described in subsection (i).

SECTION 43. IC 6-1.1-19-1.5, AS AMENDED BY P.L.90-2002, SECTION 173, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]:
Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) "Adjustment factor" means the adjustment factor determined by the department of local government finance for a school corporation under IC 6-1.1-34.

(2) "Adjusted target property tax rate" means:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the school corporation's adjustment factor.

(3) "Previous year property tax rate" means the school corporation's previous year general fund property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).

(b) Except as otherwise provided in this chapter, a school corporation may not, for an ensuing a calendar year **beginning after December 31, 2004**, impose a general fund ad valorem property tax levy which exceeds the following:

STEP ONE: Determine the result of:

(A) the school corporation's adjusted target property tax rate; minus

(B) the school corporation's previous year property tax rate.

STEP TWO: ~~Determine the result of:~~

~~(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by~~

~~(B) the quotient resulting from:~~

~~(i) the absolute value of the result of the school corporation's adjustment factor minus one (1); divided by~~

~~(ii) two (2):~~

~~STEP THREE: If the school corporation's adjusted target property tax rate:~~

~~(A) exceeds the school corporation's previous year property tax rate, perform the~~



calculation under STEP ~~FOUR~~ **THREE** and not under STEP ~~FIVE~~; **FOUR**;
(B) is less than the school corporation's previous year property tax rate, perform the
calculation under STEP ~~FIVE~~ **FOUR** and not under STEP ~~FOUR~~; **THREE**; or
(C) equals the school corporation's previous year property tax rate, determine the levy
resulting from using the school corporation's adjusted target property tax rate and do not
perform the calculation under STEP ~~FOUR~~ **THREE** or STEP ~~FIVE~~; **FOUR**.

~~The school corporation's 2002 assessed valuation shall be used for purposes of determining
the levy under clause (C) in 2002 and in 2003.~~

~~STEP FOUR~~; **THREE**: Determine the levy resulting from using the school corporation's
previous year property tax rate after increasing the rate by the lesser of:

(A) the STEP ONE result; or

(B) the sum of:

(i) five cents (\$0.05); plus

(ii) if the school corporation's adjustment factor is more than one (1); the STEP TWO
result.

~~The school corporation's 2002 assessed valuation shall be used for purposes of determining
the levy under this STEP in 2002 and in 2003: two and one-tenth cents (\$0.021).~~

~~STEP FIVE~~; **FOUR**: Determine the levy resulting from using the school corporation's
previous year property tax rate after reducing the rate by the lesser of:

(A) the absolute value of the STEP ONE result; or

(B) the sum of:

(i) nine cents (\$0.09); plus

(ii) if the school corporation's adjustment factor is less than one (1); the STEP TWO
result.

~~The school corporation's 2002 assessed valuation shall be used for purposes of determining
the levy under this STEP in 2002 and in 2003: two cents (\$0.02).~~

~~STEP SIX~~; **FIVE**: Determine the result of:

(A) the STEP ~~THREE~~ **TWO** (C), STEP ~~FOUR~~; **THREE**, or STEP ~~FIVE~~ **FOUR** result,
whichever applies; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the
year preceding the ensuing calendar year by three (3) years to the year preceding the
ensuing calendar year by two (2) years.

The maximum levy is to include the portion of any excessive levy and the levy for new
facilities.

STEP SIX: Determine the result of:

(A) the STEP **FIVE** result; plus

(B) the product of:

(i) the amount determined under IC 21-3-1.7-6.7(f) STEP **NINE**; multiplied by

(ii) thirty-five hundredths (0.35); multiplied by

(iii) the number of students, as determined by the department of education, who
have legal settlement in the school corporation and are enrolled in a charter
school. In determining the number of students, each kindergarten pupil shall be
counted as one-half (1/2) pupil.

The result determined under this STEP may not be included in the school
corporation's adjusted base levy for the year following the year in which the result
applies or in the school corporation's determination of tuition support.

(c) For purposes of this section, "total assessed value", as adjusted under subsection (d), with
respect to a school corporation means the total assessed value of all taxable property for ad
valorem property taxes first due and payable during that year.

(d) The department of local government finance may adjust the total assessed value of a
school corporation to eliminate the effects of appeals and settlements arising from a statewide



1 general reassessment of real property.

2 (e) The department of local government finance shall annually establish an assessment ratio
3 and adjustment factor for each school corporation to be used upon the review and
4 recommendation of the budget committee. The information compiled, including background
5 documentation, may not be used in a:

- 6 (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;
7 (2) petition for a correction of error under IC 6-1.1-15-12; or
8 (3) petition for refund under IC 6-1.1-26.

9 (f) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent
10 (\$0.0001). All tax levies shall be computed by rounding the levy to the nearest dollar amount.

11 (g) For the calendar year beginning January 1, 2004, and ending December, 31, 2004, a
12 school corporation may impose a general fund ad valorem property tax levy in the amount
13 determined under STEP SEVEN of the following formula:

14 **STEP ONE: Determine the quotient of:**

- 15 (A) the school corporation's 2003 assessed valuation; divided by
16 (B) the school corporation's 2002 assessed valuation.

17 **STEP TWO: Determine the greater of zero (0) or the difference between:**

- 18 (A) the STEP ONE amount; minus
19 (B) one (1).

20 **STEP THREE: Determine the lesser of fifty-six thousandths (0.056) or the product of:**

- 21 (A) the STEP TWO amount; multiplied by
22 (B) fifty-six thousandths (0.056).

23 **STEP FOUR: Determine the sum of:**

- 24 (A) the STEP THREE amount; plus
25 (B) one (1).

26 **STEP FIVE: Determine the product of:**

- 27 (A) the STEP FOUR amount; multiplied by
28 (B) the school corporation's general fund ad valorem property tax levy for calendar
29 year 2003.

30 **STEP SIX: Determine the result of:**

- 31 (A) the STEP FIVE amount; plus
32 (B) an amount equal to the annual decrease in federal aid to impacted areas from
33 the year preceding the ensuing calendar year by three (3) years to the year
34 preceding the ensuing calendar year by two (2) years.

35 The maximum levy is to include the portion of any excessive levy and the levy for new
36 facilities.

37 **STEP SEVEN: Determine the result of:**

- 38 (A) the STEP SIX result; plus
39 (B) the product of:
40 (i) the amount determined under IC 21-3-1.7-6.7(f) STEP NINE; multiplied by
41 (ii) thirty-five hundredths (0.35); multiplied by
42 (iii) the number of students, as determined by the department of education, who
43 have legal settlement in the school corporation and are enrolled in a charter
44 school. In determining the number of students, each kindergarten pupil shall be
45 counted as one-half (1/2) pupil.

46 The result determined under this STEP may not be included in the school
47 corporation's adjusted base levy for the year following the year in which the result
48 applies or in the school corporation's determination of tuition support.

49 SECTION 44. IC 6-1.1-19-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
50 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]: Sec. 12. (a)
51 Not later than the date on which the department of local government finance certifies a



1 final action under IC 6-1.1-17-16, the department of local government finance shall provide
2 to each county auditor the amount determined under IC 20-5.5-7-3(c)(6) for each charter
3 school attended by a student who has legal settlement in both the county and a school
4 corporation located in the county.

5 (b) This subsection applies beginning with the first distribution of property taxes to a
6 school corporation after December 31, 2003. At the same time a county auditor distributes
7 property taxes to a school corporation, the county auditor shall distribute to a charter
8 school the amount described in subsection (a) for the charter school.

9 (c) A distribution of property taxes to a school corporation does not include an amount
10 distributed under subsection (b).

11 SECTION 45. IC 6-1.1-21-2, AS AMENDED BY P.L.192-2002(ss), SECTION 39, IS
12 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]:
13 Sec. 2. As used in this chapter:

14 (a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

15 (b) "Taxes" means property taxes payable in respect to property assessed under this article.
16 The term does not include special assessments, penalties, or interest, but does include any special
17 charges which a county treasurer combines with all other taxes in the preparation and delivery
18 of the tax statements required under IC 6-1.1-22-8(a).

19 (c) "Department" means the department of state revenue.

20 (d) "Auditor's abstract" means the annual report prepared by each county auditor which under
21 IC 6-1.1-22-5, is to be filed on or before March 1 of each year with the auditor of state.

22 (e) "Mobile home assessments" means the assessments of mobile homes made under
23 IC 6-1.1-7.

24 (f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an
25 auditor's abstract which change assessments therein or add assessments of omitted property
26 affecting taxes for such assessment year.

27 (g) "Total county tax levy" means the sum of:

28 (1) the remainder of:

29 (A) the aggregate levy of all taxes for all taxing units in a county which are to be paid
30 in the county for a stated assessment year as reflected by the auditor's abstract for the
31 assessment year, adjusted, however, for any postabstract adjustments which change the
32 amount of the aggregate levy; minus

33 (B) the sum of any increases in property tax levies of taxing units of the county that
34 result from appeals described in:

35 (i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) filed after December 31, 1982; plus

36 (ii) the sum of any increases in property tax levies of taxing units of the county that
37 result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31,
38 1983; plus

39 (iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are
40 wards of the county); minus

41 (C) the total amount of property taxes imposed for the stated assessment year by the
42 taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5
43 (repealed), IC 12-19-5, or IC 12-20-24; minus

44 (D) the total amount of property taxes to be paid during the stated assessment year that
45 will be used to pay for interest or principal due on debt that:

46 (i) is entered into after December 31, 1983;

47 (ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1,
48 1984; and

49 (iii) does not constitute debt entered into for the purpose of building, repairing, or
50 altering school buildings for which the requirements of IC 20-5-52 were satisfied prior
51 to January 1, 1984; minus



(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

(i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(G) the amount of property taxes imposed in the county for the stated assessment year under:

(i) IC 21-2-15 for a capital projects fund; plus

(ii) IC 6-1.1-19-10 for a racial balance fund; plus

(iii) IC 20-14-13 for a library capital projects fund; plus

(iv) IC 20-5-17.5-3 for an art association fund; plus

(v) IC 21-2-17 for a special education preschool fund; plus

(vi) IC 21-2-11.6 for a referendum tax levy fund; plus

(vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus

(viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in ~~IC 6-1.1-19-1.5(a) STEP ONE~~ **IC 6-1.1-19-1.5** or any other law; minus

(I) for each township in the county, the lesser of:

(i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(5) filed after December 31, 1982; or

(ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus

(K) for each county, the sum of:

(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and



(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or the amount determined under IC 12-19-7-4(b) for property taxes payable in each year after 1995; plus

(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus

(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year under IC 6-1.1-22-3.

(j) "Eligible property tax replacement amount" is equal to the sum of the following:

(1) Sixty percent (60%) of the total county tax levy imposed by each school corporation in a county for its general fund for a stated assessment year.

(2) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on real property for a stated assessment year.

(3) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on tangible personal property, excluding business personal property, for an assessment year.

(k) "Business personal property" means tangible personal property (other than real property) that is being:

(1) held for sale in the ordinary course of a trade or business; or

(2) held, used, or consumed in connection with the production of income.

(l) "Taxpayer's property tax replacement credit amount" means the sum of the following:

(1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year for taxes imposed by a school corporation for its general fund for a stated assessment year.

(2) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property.

(3) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on tangible personal property other than business personal property.

(m) "Tax liability" means tax liability as described in section 5 of this chapter.

(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

SECTION 46. IC 6-1.1-34-7, AS AMENDED BY P.L.90-2002, SECTION 243, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. (a) Each year in which the department of local government finance computes a new assessment ratio for a school corporation, the department shall also compute a new adjustment factor for the school



corporation. If the school corporation's assessment ratio for a year is more than ninety-nine percent (99%) but less than one hundred one percent (101%) of the state average assessment ratio for that year, the school corporation's adjustment factor is the number one (1). In all other cases, the school corporation's adjustment factor equals (1) the state average assessment ratio for a year, divided by (2) the school corporation's assessment ratio for that year. The department of local government finance shall notify the school corporation of its new adjustment factor before March 2 of the year in which the department calculates the new adjustment factor.

(b) This subsection applies in a calendar year in which a general reassessment takes effect. If the department of local government finance has not computed:

- (1) a new assessment ratio for a school corporation; or**
- (2) a new state average assessment ratio;**

the school corporation's adjustment factor is the number one (1) until the department of local government finance notifies the school corporation of the school corporation's new adjustment factor.

SECTION 47. IC 12-10-10-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 12. (a) Beginning July 1, 2004, a provider who provides a service that is determined by the division to be one (1) of the ten (10) most utilized services by recipients in the program to an individual under the program for reimbursement shall be reimbursed at a rate established by the division.**

(b) A provider who provides services to an individual under the program for reimbursement shall also provide the same or equivalent services to a state Medicaid waiver recipient if the service is reimbursable under the state Medicaid waiver.

SECTION 48. IC 12-15-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 16. (a) Each:**

- (1) school corporation; or**
- (2) school corporation's employed, licensed, or qualified provider;**

must enroll in a program to use federal funds under the Medicaid program (IC 12-15-1 et seq.) with the intent to share the costs of services that are reimbursable under the Medicaid program and that are provided to eligible children by the school corporation. However, a school corporation or a school corporation's employed, licensed, or qualified provider is not required to file any claims or participate in the program developed under this section.

(b) The office of Medicaid policy and planning and the department of education may develop policies and adopt rules to administer the program developed under this section.

(c) The federal reimbursement for paid claims that are submitted by the school corporations under the program required under this section must be distributed to the school corporations. Three percent (3%) of the federal reimbursement for paid claims that are submitted by the school corporation under the program required under this section must be distributed to the state general fund for administration of the program. The remainder of the federal reimbursement for services provided under this section must be distributed to the school corporations. The state shall retain the nonfederal share of the reimbursement for Medicaid services provided under this section.

(d) The office of Medicaid policy and planning, with the approval of the budget agency and after consultation with the department of education, shall establish procedures for the timely distribution of federal reimbursement due to the school corporations. The distribution procedures may provide for offsetting reductions to distributions of state tuition support or other state funds to school corporations in the amount of the nonfederal reimbursements required to be retained by the state under subsection (c).

SECTION 49. IC 13-17-5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 6.5. (a) The auto emissions testing fund is created to pay the expenses of auto emissions testing under section 5.1 of this chapter. The fund consists of the fees deposited under section 6.6 of this chapter. The fund**



1 shall be administered by the department of environmental management.

2 (b) The expenses of administering the fund shall be paid from money in the fund.

3 (c) The treasurer of state shall invest the money in the fund not currently needed to meet
4 the obligations of the fund in the same manner as other public money may be invested.

5 (d) Money in the fund at the end of a state fiscal year does not revert to the state general
6 fund.

7 SECTION 50. IC 13-17-5-6.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
8 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6.6. (a) The air pollution control
9 board shall establish fees to be paid by persons having their motor vehicles tested under
10 section 5.1 of this chapter after December 31, 2003.

11 (b) The air pollution control board shall adopt rules under IC 4-22-2 as supplemented
12 by IC 4-13-9 to set fees for the inspections required by section 5.1 of this chapter. The fees
13 shall be set in an amount sufficient to cover the costs of administering the auto emissions
14 testing program.

15 (c) Fees collected under this section shall be deposited in the auto emissions testing fund
16 created by section 6.5 of this chapter.

17 SECTION 51. IC 13-17-5-7, AS AMENDED BY P.L.229-1999, SECTION 3, IS AMENDED
18 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. (a) The department shall
19 annually advise the budget committee on whether:

20 (1) money appropriated by the general assembly; and

21 (2) money available through federal grants; and

22 (3) money in the auto emissions testing fund;

23 is adequate to implement a motor vehicle emissions testing program described in section 5.1 of
24 this chapter.

25 (b) If the money described under subsection (a) becomes insufficient to implement a motor
26 vehicle emissions testing program, the department shall immediately notify:

27 (1) the governor; and

28 (2) the budget committee;

29 of the insufficiency.

30 SECTION 52. IC 13-18-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
31 1, 2003]: Sec. 3. (a) Money in the fund may be used to do the following:

32 (1) Provide loans or other financial assistance to political subdivisions for:

33 (A) the planning, designing, construction, renovation, improvement, or expansion of
34 wastewater collection and treatment systems and other activities necessary or convenient
35 to complete these tasks; and

36 (B) subject to subsection (c), to the extent permitted by federal law, any of the
37 following in a brownfield:

38 (i) Abatement of polluted runoff.

39 (ii) Control of storm water runoff.

40 (iii) Correction of groundwater contamination.

41 (iv) Remediation of petroleum contamination.

42 (2) Pay the cost of administering the fund and the program.

43 (3) Conduct all other activities that are permitted by the federal Clean Water Act.

44 (b) The following projects are permitted to carry out the purposes stated in subsection

45 (a)(1)(B):

46 (1) Excavation and disposal of underground storage tanks.

47 (2) Development of constructed wetlands.

48 (3) Capping of wells.

49 (4) Excavation, removal, and disposal of contaminated soil or sediment.

50 (5) Demolition of tunnels.

51 (6) Abandonment of wells.



1 (7) Phase I, Phase II, or Phase III environmental site assessments under the standards
2 of the American Society for Testing and Materials.

3 (8) Any other project designed to carry out those purposes.

4 (c) The combined amount of outstanding loans for the purposes under subsection
5 (a)(1)(B) at any time may not exceed twenty million dollars (\$20,000,000).

6 SECTION 53. IC 13-18-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 2003]: Sec. 10. (a) The budget agency may make loans or provide other financial assistance
8 from the fund to or for the benefit of a political subdivision under the following conditions:

9 (1) The loan or other financial assistance must be used:

10 (A) for planning, designing, constructing, renovating, improving, or expanding
11 wastewater collection and treatment systems and other activities necessary or convenient
12 to complete these tasks;

13 (B) to:

14 (i) establish reserves or sinking funds; or

15 (ii) provide interest subsidies;

16 (C) to pay financing charges, including interest on the loan or other financial assistance
17 during construction and for a reasonable period after the completion of construction; or

18 (D) to pay the following:

19 (i) Consultant, advisory, and legal fees.

20 (ii) Any other costs or expenses necessary or incident to the loan, other financial
21 assistance, or the administration of the fund and the program.

22 (2) Subject to section 15 of this chapter, upon recommendation of the budget agency the
23 state board of finance shall establish the interest rate or parameters for establishing the
24 interest rate on each loan, including parameters for establishing the amount of interest
25 subsidies.

26 (3) **Subject to subsection (b)**, the budget agency shall establish the terms and conditions
27 that the budget agency considers necessary or convenient to:

28 (A) make loans; or

29 (B) provide other financial assistance under this chapter.

30 (b) **The terms and conditions under subsection (a)(3) of a loan or other financial**
31 **assistance for the purposes under section 3(a)(1)(B) of this chapter may be different from**
32 **the terms and conditions of a loan or other financial assistance for other purposes**
33 **permitted by this chapter.**

34 SECTION 54. IC 20-5.5-1-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
35 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 1.3.**
36 **"ADM of the previous year" or "ADM of the prior year" has the meaning set forth in**
37 **IC 21-3-1.6-1.1(m).**

38 SECTION 55. IC 20-5.5-1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
39 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 1.5.**
40 **"Average daily membership" or "ADM" has the meaning set forth in IC 21-3-1.6-1.1(d).**

41 SECTION 56. IC 20-5.5-1-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
42 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 5.5.**
43 **"Current ADM" has the meaning set forth in IC 21-3-1.6-1.1(n).**

44 SECTION 57. IC 20-5.5-7-3, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED
45 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]: Sec. 3. (a) Not
46 later than the date established by the department for determining average daily membership under
47 IC 21-3-1.6-1.1(d), **and after May 31**, the organizer shall submit to the department the following
48 information **on a form prescribed by the department:**

49 (1) The number of students enrolled in the charter school.

50 (2) The name **and address** of each student. ~~and~~

51 (3) ~~The name of the school corporation in which the student resides.~~ **has legal settlement.**



1 (4) The name of the school corporation, if any, that the student attended during the
2 immediately preceding school year.

3 (5) The grade level in which the student will enroll in the charter school.

4 The department shall verify the accuracy of the information reported.

5 (b) After verifying the accuracy of the information reported under subsection (a); This
6 subsection applies after December 31 of the calendar year in which a charter school begins
7 its initial operation. The department shall distribute the following to the organizer

8 (1) Tuition support and other state funding for any purpose for students in the charter
9 school.

10 (2) A proportionate share of state and federal funds received for students with disabilities
11 or staff services for students with disabilities for the students with disabilities enrolled in
12 the charter school.

13 (3) A proportionate share of funds received under federal or state categorical aid programs
14 for students who are eligible for the federal or state aid enrolled in the charter school: the
15 amount determined under IC 21-3-1.7 for the charter school. The department shall
16 make a distribution under this subsection at the same time and in the same manner as
17 the department makes a distribution under IC 21-3-1.7.

18 (c) Not later than the date established by the department for determining average daily
19 membership under IC 21-3-1.6-1.1(d), the organizer shall submit to each governing body a report
20 of the total number and names of students from the governing body's school corporation enrolled
21 in the charter school. Upon verifying the accuracy of the information reported, the governing
22 body shall distribute to the organizer a proportionate share of local support for the students
23 enrolled in the charter school in an amount determined under STEP THREE of the following
24 formula:

25 STEP ONE: Add the revenues obtained by the school corporation's:

26 (A) general fund property tax levy; and

27 (B) general fund auto excise and financial institutions tax.

28 STEP TWO: Divide the sum determined under STEP ONE by the total number of students
29 enrolled in the school corporation.

30 STEP THREE: Multiply the quotient determined under STEP TWO by the number of
31 students enrolled in the charter school.

32 (d) The distribution under subsection (b) shall be made on the same schedule as the schedule
33 on which the school corporation receives the funds. The department shall provide to the
34 department of local government finance the following information:

35 (1) For each county, the number of students who:

36 (A) have legal settlement in the county; and

37 (B) attend a charter school.

38 (2) The school corporation in which each student described in subdivision (1) has legal
39 settlement.

40 (3) The charter school that a student described in subdivision (1) attends and the
41 county in which the charter school is located.

42 (4) The amount determined under:

43 (A) IC 6-1.1-19-1.5(g) STEP SEVEN for the 2004 calendar year; or

44 (B) IC 6-1.1-19-1.5(b) STEP SIX for the 2005 calendar year;

45 for each school corporation described in subdivision (2).

46 (5) The amount determined under STEP TWO of the following formula:

47 STEP ONE: Determine the product of:

48 (A) the amount determined under IC 21-3-1.7-6.7(f) STEP NINE for a charter
49 school described in subdivision (3); multiplied by

50 (B) thirty-five hundredths (0.35).

51 STEP TWO: Determine the product of:



- 1 (A) the STEP ONE amount; multiplied by
2 (B) the current ADM of a charter school described in subdivision (3).
3 (6) The amount determined under STEP THREE of the following formula:
4 STEP ONE: Determine the number of students described in subdivision (1) who:
5 (A) attend the same charter school; and
6 (B) have legal settlement in the same school corporation located in the county.
7 STEP TWO: Determine the subdivision (5) STEP ONE amount for a charter school
8 described in STEP ONE (A).
9 STEP THREE: Determine the product of:
10 (A) the STEP ONE amount; multiplied by
11 (B) the STEP TWO amount.

12 SECTION 58. IC 20-5.5-7-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
13 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]: Sec. 3.5. (a)
14 This section applies to a conversion charter school.

15 (b) Not later than the initial date established by the department for determining average
16 daily membership under IC 21-3-1.6-1.1(d), and after July 2, the organizer shall submit to
17 a governing body on a form prescribed by the department the information reported under
18 section 3(a) of this chapter for each student who:

- 19 (1) is enrolled in the organizer's conversion charter school; and
20 (2) has legal settlement in the governing body's school corporation.

21 (c) Beginning not more than sixty (60) days after the department receives the
22 information reported under section 3(a) of this chapter, the department shall distribute to
23 the organizer:

- 24 (1) tuition support and other state funding for any purpose for students enrolled in the
25 conversion charter school;
26 (2) a proportionate share of state and federal funds received for students with
27 disabilities or staff services for students with disabilities for students with disabilities
28 enrolled in the conversion charter school; and
29 (3) a proportionate share of funds received under federal or state categorical aid
30 programs for students who are eligible for the federal or state categorical aid and are
31 enrolled in the conversion charter school;

32 for the second six (6) months of the calendar year in which the conversion charter school
33 is established. The department shall make a distribution under this subsection at the same
34 time and in the same manner as the department makes a distribution to the governing body
35 of the school corporation in which the conversion charter school is located. A distribution
36 to the governing body of the school corporation in which the conversion charter school is
37 located is reduced by the amount distributed to the conversion charter school. This
38 subsection does not apply to a conversion charter school after December 31 of the calendar
39 year in which the conversion charter school is established.

40 (d) The subsection applies beginning with the first property tax distribution described
41 in IC 6-1.1-27-1 to the governing body of the school corporation in which a conversion
42 charter school is located after the governing body receives the information reported under
43 subsection (b). Not more than ten (10) days after the governing body receives a property
44 tax distribution described in IC 6-1.1-27-1, the governing body shall distribute to the
45 conversion charter school the amount determined under STEP THREE of the following
46 formula:

47 STEP ONE: Determine the quotient of:

- 48 (A) the number of students who:
49 (i) are enrolled in the conversion charter school; and
50 (ii) were counted in the ADM of the previous year for the school corporation in
51 which the conversion charter school is located; divided by



1 (B) the current ADM of the school corporation in which the conversion charter
2 school is located.

3 In determining the number of students enrolled under clause (A)(i), each kindergarten
4 pupil shall be counted as one-half (1/2) pupil.

5 STEP TWO: Determine the total amount of the following revenues to which the school
6 corporation in which the conversion charter school is located is entitled for the second
7 six (6) months of the calendar year in which the conversion charter school is
8 established:

9 (A) Revenues obtained by the school corporation's:

10 (i) general fund property tax levy; and

11 (ii) excise tax revenue (as defined in IC 21-3-1.7-2).

12 (B) The school corporation's certified distribution of county adjusted gross income
13 tax revenue under IC 6-3.5-1.1 that is to be used as property tax replacement
14 credits.

15 STEP THREE: Determine the product of:

16 (A) the STEP ONE amount; multiplied by

17 (B) the STEP TWO amount.

18 (e) Subsection (d) does not apply to a conversion charter school after the later of the
19 following dates:

20 (1) December 31 of the calendar year in which the conversion charter school is
21 established.

22 (2) Ten (10) days after the date on which the governing body of the school corporation
23 in which the conversion charter school is located receives the final distribution
24 described in IC 6-1.1-27-1 of revenues to which the school corporation in which the
25 conversion charter school is located is entitled for the second six (6) months of the
26 calendar year in which the conversion charter school is established.

27 (f) This subsection applies during the second six (6) months of the calendar year in which
28 a conversion charter school is established. A conversion charter school may apply for an
29 advance from the charter school advancement account under IC 20-5.5-7.5 in the amount
30 determined under STEP FOUR of the following formula:

31 STEP ONE: Determine the result under subsection (d) STEP ONE (A).

32 STEP TWO: Determine the difference between:

33 (A) the conversion charter school's current ADM; minus

34 (B) the STEP ONE amount.

35 STEP THREE: Determine the quotient of:

36 (A) the STEP TWO amount; divided by

37 (B) the conversion charter school's current ADM.

38 STEP FOUR: Determine the product of:

39 (A) the STEP THREE amount; multiplied by

40 (B) the quotient of:

41 (i) the subsection (d) STEP TWO amount; divided by

42 (ii) two (2).

43 SECTION 59. IC 20-5.5-7-4, AS AMENDED BY P.L.1-2002, SECTION 84, IS AMENDED
44 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]: Sec. 4. (a)
45 Services that a school corporation provides to a charter school, including transportation, may be
46 provided at not more than one hundred three percent (103%) of the actual cost of the services.

47 (b) This subsection applies to a sponsor that is a state educational institution described in
48 IC 20-5.5-1-15(1)(B). **In a calendar year**, a state educational institution may receive from the
49 organizer of a charter school sponsored by the state educational institution an administrative fee
50 equal to not more than three percent (3%) of the total amount the governing body distributes
51 under sections 3(b)(1) and 3(c) of this chapter: organizer receives during the calendar year



1 under IC 6-1.1-19-12 and IC 21-3-1.7-8.2.

2 SECTION 60. IC 20-5.5-7-5, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED
3 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]: Sec. 5. (a) An
4 organizer may apply for and accept for a charter school:

5 (1) independent financial grants; or

6 (2) funds from public or private sources other than the department.

7 (b) An organizer shall make all applications, enter into all contracts, and sign all
8 documents necessary for the receipt by a charter school of aid, money, or property from
9 the federal government.

10 SECTION 61. IC 20-5.5-7-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
11 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]: Sec. 9. (a)
12 This section applies if:

13 (1) a sponsor:

14 (A) revokes a charter before the end of the term for which the charter is granted;
15 or

16 (B) does not renew a charter; or

17 (2) a charter school otherwise terminates its charter before the end of the term for
18 which the charter is granted.

19 (b) Any local or state funds that remain to be distributed to the charter school in the
20 calendar year in which an event described in subsection (a) occurs shall be distributed as
21 follows:

22 (1) First, to the common school loan fund to repay any existing obligations of the
23 charter school under IC 20-5.5-7.5.

24 (2) Second, to the entities that distributed the funds to the charter school. A
25 distribution under this subdivision shall be on a pro rata basis.

26 (c) If the funds described in subsection (b) are insufficient to repay all existing
27 obligations of the charter school under IC 20-5.5-7.5, the state shall repay any remaining
28 obligations of the charter school under IC 20-5.5-7.5 from the amount appropriated for
29 distributions under IC 21-3-1.7.

30 SECTION 62. IC 20-5.5-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER
31 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003 (RETROACTIVE)]:

32 **Chapter 7.5. Charter School Advancement Account**

33 **Sec. 1.** The charter school advancement account is established within the common school
34 fund.

35 **Sec. 2.** As used in this chapter, "operational costs" means costs other than construction
36 costs incurred by:

37 (1) a charter school other than a conversion charter school during the second six (6)
38 months of the calendar year in which the charter school begins its initial operation; or

39 (2) a charter school, including a conversion charter school, during the second six (6)
40 months of a calendar year in which the charter school's most recent enrollment
41 reported under IC 20-5.5-7-3(a) divided by the charter school's previous year's ADM
42 is at least one and fifteen-hundredths (1.15).

43 **Sec. 3.** The board shall advance money to charter schools from the charter school
44 advancement account to be used for operational costs.

45 **Sec. 4. (a)** The amount of an advance under section 3 of this chapter for operational costs
46 described in section 2(1) of this chapter may not exceed the amount determined under
47 STEP THREE of the following formula:

48 **STEP ONE:** Determine the product of:

49 (A) the charter school's enrollment reported under IC 20-5.5-7-3(a); multiplied by

50 (B) the statewide average amount determined under IC 21-3-1.7-6.7(f) STEP NINE.

51 **STEP TWO:** Determine the quotient of:



- 1 (A) the STEP ONE amount; divided by
2 (B) two (2).
- 3 **STEP THREE: Determine the product of:**
4 (A) the STEP TWO amount; multiplied by
5 (B) one and fifteen-hundredths (1.15).
- 6 (b) The amount of an advance under section 3 of this chapter for operational costs
7 described in section 2(2) of this chapter may not exceed the amount determined under
8 **STEP FOUR** of the following formula:
- 9 **STEP ONE: Determine the quotient of:**
10 (A) the amount determined under IC 21-3-1.7-6.7(f) **STEP NINE** for the charter
11 school; divided by
12 (B) two (2).
- 13 **STEP TWO: Determine the difference between:**
14 (A) the charter school's current ADM; minus
15 (B) the charter school's ADM of the previous year.
- 16 **STEP THREE: Determine the product of:**
17 (A) the STEP ONE amount; multiplied by
18 (B) the STEP TWO amount.
- 19 **STEP FOUR: Determine the product of:**
20 (A) the STEP THREE amount; multiplied by
21 (B) one and fifteen-hundredths (1.15).
- 22 **Sec. 5. (a)** Money advanced to a charter school under this chapter may be advanced for
23 a period not to exceed twenty (20) years. A charter school to which money is advanced
24 under this chapter must pay interest on the advance at the rate determined under section
25 6 of this chapter. The board shall provide that the advances are prepayable by the charter
26 school or by the general assembly at any time.
- 27 (b) This subsection applies if the general assembly prepays an advance of money under
28 this chapter. Any prepayment under this subsection must be deducted from the amount
29 appropriated for distributions under IC 21-3-1.7.
- 30 (c) The board, after consulting with the department and upon approval of the budget
31 agency, shall establish the terms of an advance before the date on which the advance is
32 made. The terms must include a provision allowing the state to withhold funds due to a
33 charter school to which an advance is made until the advance, including interest accrued
34 on the advance, is paid.
- 35 **Sec. 6.** The state board of finance shall establish periodically the rate of interest payable
36 on advances of money under this chapter. An interest rate established under this section
37 may not:
- 38 (1) be less than one percent (1%); and
39 (2) exceed four percent (4%).
- 40 **Sec. 7. (a)** To ensure timely payment of an advance under this chapter according to the
41 terms of the advance, the state may withhold from funds due to the charter school to which
42 the advance is made an amount necessary to pay the advance and the interest on the
43 advance.
- 44 (b) If the state withholds funds under subsection (a), the state first shall withhold funds
45 from the distribution of state tuition support to the charter school to which the advance is
46 made. If the tuition support distribution is unavailable or inadequate, the state may
47 withhold funds from any other distribution of state funds to the charter school.
- 48 **Sec. 8.** A charter school that desires to obtain an advance under this chapter must submit
49 an application to the board on a form prescribed by the board after consulting with the
50 department and the budget agency for the board to determine the amount of the advance.
- 51 **Sec. 9. (a)** An advance under this chapter to a charter school is not an obligation of the



1 charter school within the meaning of any constitutional limitation on or prohibition against
2 indebtedness. This chapter does not relieve the organizer of the charter school to qualify
3 the charter school for state tuition support.

4 (b) An agreement with the board to collect and pay over amounts deducted from state
5 tuition support for the benefit of another party is not a debt of the state within the meaning
6 of any constitutional limitation on or prohibition against state indebtedness.

7 Sec. 10. Priority of advances for operational costs must be on a basis determined by the
8 board after consulting with the department and the budget agency.

9 Sec. 11. The board shall annually set aside from the principal of the common school loan
10 fund four million dollars (\$4,000,000) for advances made under this chapter and under
11 IC 20-5.5-7-3.5(f). If the total amount of advances made under this chapter and under
12 IC 20-5.5-7-3.5(f) in a calendar year is less than four million dollars (\$4,000,000), the
13 unused funds remain in the common school fund. The total amount of advances made under
14 this chapter and under IC 20-5.5-7-3.5(f) in a calendar year may not exceed four million
15 dollars (\$4,000,000). This section expires June 30, 2006.

16 SECTION 63. IC 20-5.5-8-5, AS ADDED BY P.L.100-2001, SECTION 21, IS AMENDED
17 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 5. The
18 following statutes and rules and guidelines adopted under the following statutes apply to a charter
19 school:

- 20 (1) IC 5-11-1-9 (required audits by the state board of accounts).
- 21 (2) IC 20-1-1.5 (unified accounting system).
- 22 (3) IC 20-1-6 (special education).
- 23 (4) IC 20-5-2-7 and IC 20-6.1-3-7.1 (criminal history).
- 24 (5) IC 20-5-2-3 (subject to laws requiring regulation by state agencies).
- 25 (6) IC 20-6.1-4-15 (void teacher contract when two (2) contracts are signed).
- 26 (7) IC 20-6.1-6-11 (nondiscrimination for teacher marital status).
- 27 (8) IC 20-6.1-6-13 (teacher freedom of association).
- 28 (9) IC 20-6.1-6-15 (school counselor immunity).
- 29 (10) For conversion charter schools only, IC 20-6.1-4, IC 20-6.1-5 and IC 20-6.1-6.
- 30 (11) IC 20-8.1-3 (compulsory school attendance).
- 31 (12) IC 20-8.1-4 (limitations on employment of children).
- 32 (13) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5 (student due process and
33 judicial review).
- 34 (14) IC 20-8.1-5.1-10 (firearms and deadly weapons).
- 35 (15) IC 20-8.1-7 and IC 20-8.1-8 (health and safety measures).
- 36 ~~(16) IC 20-8.1-9-3 (exemption from school fees for eligible families and fee~~
37 ~~reimbursement).~~
- 38 ~~(17) IC 20-8.1-9-5 (notice to parents concerning financial assistance).~~
- 39 ~~(18) (16) IC 20-8.1-12 (reporting of student violations of law).~~
- 40 ~~(19) (17) IC 20-10.1-2-4 and IC 20-10.1-2-6 (patriotic commemorative observances).~~
- 41 ~~(20) (18) IC 20-10.1-16, IC 20-10.1-17, or any other statute, rule, or guideline related to~~
42 ~~standardized testing (assessment programs, including remediation under the assessment~~
43 ~~programs).~~
- 44 ~~(21) (19) IC 20-10.1-22.4 (parental access to education records).~~
- 45 ~~(22) (20) IC 20-10.2 (accountability for school performance and improvement).~~

46 SECTION 64. IC 20-8.1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
47 JANUARY 1, 2002 (RETROACTIVE)]: Sec. 1. ~~Definition, "School Corporation"~~: As used in this
48 article, the term "school corporation" means any public school corporation established by and
49 under the laws of the state of Indiana. The term includes, but is not necessarily limited to, any
50 school city, school town, school township, consolidated school corporation, metropolitan school
51 district, township school corporation, county school corporation, united school corporation or any



community school corporation. **For purposes of IC 20-8.1-9, the term includes the organizer of a charter school.**

SECTION 65. IC 20-8.1-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 2. As used in this article, the term "governing body" means any township trustee and the township board of a school township, any board of school commissioners, any metropolitan board of education, any board of trustees or any other board or commission charged by law with the responsibility of administering the affairs of a school corporation. **For purposes of IC 20-8.1-9, the term includes a charter school.**

SECTION 66. IC 20-8.1-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 3. (a) If a parent of a child or an emancipated minor who is enrolled in a public school, in grades K-12, meets the financial eligibility standard under section 2 of this chapter, the parent or the emancipated minor may not be required to pay the fees for school books, supplies, or other required class fees. Such fees shall be paid by the school corporation in which the child ~~resides~~ attends.

(b) The school corporation may apply for a reimbursement under section 9 of this chapter from the department of the costs incurred under subsection (a).

(c) To the extent the reimbursement received by the school corporation is less than the textbook rental fee assessed for textbooks that have been adopted under IC 20-10.1-9-1 or waived under IC 20-10.1-9-27, the school corporation may request that the parent or emancipated minor pay the balance of this amount.

SECTION 67. IC 20-12-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. (a) The Ball State University board of trustees, Indiana State University board of trustees, the trustees of Indiana University, the trustees of Purdue University, and the University of Southern Indiana board of trustees, each as to its respective institution, shall have the power and duty:

(1) to govern the disposition and method and purpose of use of the property owned, used, or occupied by the institution, including the governance of travel over and the assembly upon the property;

(2) to govern, by specific regulation and other lawful means, the conduct of students, faculty, employees, and others while upon the property owned, used, or occupied by the institutions;

(3) to govern, by lawful means, the conduct of its students, faculty, and employees, wherever the conduct might occur, to the end of preventing unlawful or objectionable acts that seriously threaten the ability of the institution to maintain its facilities available for performance of its educational activities or that are in violation of the reasonable rules and standards of the institution designed to protect the academic community from unlawful conduct or conduct presenting a serious threat to person or property of the academic community;

(4) to dismiss, suspend, or otherwise punish any student, faculty member, or employee of the institution who violates the institution's rules or standards of conduct, after determination of guilt by lawful proceedings;

(5) to prescribe the fees, tuition, and charges necessary or convenient to the furthering of the purposes of the institution and to collect the prescribed fees, tuition, and charges; **however, all decisions to increase fees, tuition, and charges or to establish new fees, tuition, or charges must be adopted and published in the minutes of the trustees not later than December 31 immediately preceding the beginning of the state fiscal year in which the fees, tuition, or charges will take effect;**

(6) to prescribe the conditions and standards of admission of students upon the bases as are in its opinion in the best interests of the state and the institution;

(7) to prescribe the curricula and courses of study offered by the institution and define the standards of proficiency and satisfaction within the curricula and courses established by the



institution;

(8) to award financial aid to students and groups of students out of the available resources of the institution through scholarships, fellowships, loans, remissions of fees, tuitions, charges, or other funds on the basis of financial need, excellence of academic achievement, or potential achievement or any other basis as the governing board may find to be reasonably related to the educational purposes and objectives of the institution and in the best interest of the institution and the state;

(9) to cooperate with other institutions to the end of better assuring the availability and utilization of its total resources and opportunities to provide excellent educational opportunity for all persons;

(10) to establish and carry out written policies for the investment of the funds of the institution in the manner provided by IC 30-4-3-3; and

(11) to lease to any corporation, limited liability company, partnership, association, or individual real estate title to which is in the name of an institution or in the name of the state for the use and benefit of the leasing institution.

(b) A lease may be for such term and for such rental, either nominal or otherwise, as the board determines to be in the best interest of the institution. No lease shall be executed under this section for a term exceeding four (4) years unless the execution is approved by the governor and by the state budget agency. The universities shall be exempt from all property taxes on any real estate leased under this section, and the lessee shall be liable for property taxes on the leased real estate as if the real estate were owned by the lessee in fee simple, unless the lessee is a student living in university-owned facilities.

(c) This section shall not be construed to deny any tax exemption that a lessee would have under other laws if the lessee were the owner in fee simple of the real estate.

SECTION 68. IC 20-12-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. (a) Instruction in ~~such~~ laboratory schools may be provided for pre-school pupils, kindergarten pupils, special education pupils, and for all or a portion of the twelve (12) common school grades.

(b) Agreements may be entered into with local school units and educational organizations for the assignment of pupils to such laboratory schools, the payment of transfer fees, and contributions to the cost of establishing and maintaining ~~said the~~ **laboratory** schools.

(c) A ~~university which operates~~ a laboratory school **that:**

(1) is operated by a university under this chapter without an agreement ~~with a local school unit or an educational organization shall receive all the state financial assistance (based on the number of pupils in ADM or ADA, as do other public schools, in the laboratory school) that the largest school corporation in the county in which the university is located would have received per pupil under IC 1971, 21-3 (except for IC 1971, 21-3-3); under Acts 1973, P.L. 339, pp. 1943-1946; and under any supplemental laws, except supplemental laws which provide for transportation assistance funding;~~ **described in subsection (b); and**

(2) has an ADM (as defined in IC 21-3-1.6-1.1(d)) of not more than seven hundred fifty (750);

shall be treated as a charter school for purposes of local funding IC 6-1.1-19-12 and state funding under IC 21-3.

(d) A pupil who attends a laboratory school full time may not be counted in ADM or ADA by any local school unit when his attendance is not regulated under an agreement. ~~Only laboratory schools with enrollments of seven hundred fifty (750) full-time pupils or less shall qualify for the above described state financial assistance.~~

SECTION 69. IC 20-12-61-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 13. (a) In addition to the duties described in section 9 of this chapter, the state board may do the following:

(1) Hold, encumber, control, acquire by donation or purchase, construct, own, lease, use,



and sell real and personal property as is necessary for the conduct of its program of operation, on whatever terms and for whatever consideration may be appropriate.

(2) Accept gifts, grants, bequests, and devises absolutely and in trust for support of the college or its programs.

(3) Develop and adopt the appropriate programs to be offered.

(4) Develop a statewide salary structure and classification system, including provisions for employee group insurance, employee benefits, and personnel policies.

(5) Employ the chief administrator of a regional institute.

(6) Authorize the chief administrator of a regional institute to employ the necessary personnel for the regional institute, determine their qualifications, and fix their compensation in accordance with statewide policies established under subdivision (4).

(7) Grant appropriate certificates of achievement and associate degrees to students who complete prescribed and authorized courses or series of courses.

(8) Prescribe rules for the effective operation of a statewide program and exercise other powers that are necessary for the efficient management of the program.

(9) Establish a schedule of fees, **tuition, or** and charges for students and provide scholarships and remission of fees in proper cases, **however, all decisions to increase fees, tuition, and charges or to establish new fees, tuition, or charges must be adopted and published in the minutes of the trustees not later than December 31 immediately preceding the beginning of the state fiscal year in which the fees, tuition, or charges will take effect;**

(10) Authorize, approve, enter into, ratify, or confirm any agreement relating to a statewide program or a regional institute with the United States government, acting through any agency of the government designated or created to aid in the financing of such projects, or with any person, organization, or agency offering contracts or grants-in-aid financing the educational facilities or the operation of the facilities and programs.

(11) Establish written policies for the investment of the funds of Ivy Tech in the manner provided by IC 30-4-3-3.

(b) Before taking any action under subsection (a)(1), (a)(3), (a)(5), or (a)(8) that would substantially affect a regional institute, the state board shall request recommendations concerning the proposed action from the regional board for that region.

(c) Upon request of a regional board that has submitted recommendations under subsection (b) or section 12(a)(7) of this chapter, the state board shall conduct public hearings concerning the recommendations at a regular or special meeting of the state board.

SECTION 70. IC 21-1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 1. (a) It is the duty of the general assembly under the Constitution of the State of Indiana to encourage by all suitable means moral, intellectual, scientific, and agricultural improvement and to provide, by law, for a general and uniform system of common schools, wherein tuition shall be without charge, and equally open to all.

(b) It is the intent of the general assembly that:

(1) the common school fund should be used to:

(A) assist school corporations and school townships in financing their school building construction and educational technology programs; **and**

(B) **assist charter schools in financing their operations;**

as authorized by law and under circumstances such that the principal of the fund remains inviolate;

(2) to the end described in subdivision (1), the common school fund may be used to make advances to:

(A) school corporations and school townships under IC 21-1-5; and

(B) **charter schools under IC 20-5.5-7-3.5(f) and IC 20-5.5-7.5; and**

(3) this chapter is in furtherance of the duties which are imposed exclusively upon the



1 general assembly by the Constitution of the State of Indiana in connection with the
2 maintenance of a general and uniform system of common schools and the investment and
3 reinvestment of the common school fund and shall be liberally construed to carry out the
4 purposes of the Constitution of the State of Indiana.

5 (c) In addition, the common school fund may be used to make advances under IC 21-1-5.1.

6 SECTION 71. IC 21-1-30-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
7 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 0.5. As**
8 **used in this chapter, "school corporation" includes a charter school established under**
9 **IC 20-5.5.**

10 SECTION 72. IC 21-1-30-2, AS AMENDED BY P.L.111-2002, SECTION 5, IS AMENDED
11 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 2.** For
12 purposes of computation under this chapter, the following shall be used:

13 (1) Kindergarten pupils shall be counted as five-tenths (0.5). All other pupils shall be
14 counted as one (1).

15 (2) The number of pupils shall be the number of pupils used in determining ADM, as
16 defined by IC 21-3-1.6, for the current year.

17 (3) The staff cost amount for a school corporation is sixty-eight thousand four hundred
18 forty-two dollars (\$68,442) for 2002 and sixty-nine thousand eight hundred eleven dollars
19 (\$69,811) ~~for 2003~~. **for calendar years beginning after December 31, 2002.**

20 (4) The guaranteed amount for a school corporation is the primetime allocation, before any
21 penalty is assessed under this chapter, that the school corporation would have received
22 under this chapter for the 1999 calendar year.

23 (5) The at-risk index is the index determined under IC 21-3-1.6-1.1.

24 (6) The following apply to determine whether amounts received under this chapter have
25 been devoted to reducing class size in kindergarten through grade 3 as required by section
26 3(b) of this chapter:

27 (A) Except as permitted under section 5.5 of this chapter, only a licensed teacher who
28 is an actual classroom teacher in a regular instructional program is counted as a teacher.

29 (B) If a school corporation is granted approval under section 5.5 of this chapter, the
30 school corporation may include as one-third (1/3) of a teacher each classroom
31 instructional aide who meets qualifications and performs duties prescribed by the
32 Indiana state board of education.

33 SECTION 73. IC 21-1-30-3, AS AMENDED BY P.L.291-2001, SECTION 91, IS AMENDED
34 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 3. (a)** The
35 amount to be distributed to a school corporation under this chapter is the amount determined by
36 the following formula:

37 STEP ONE: Determine the applicable target pupil teacher ratio for the school corporation
38 as follows:

39 (A) If the school corporation's at-risk index is less than seventeen-hundredths (0.17), the
40 school corporation's target pupil teacher ratio is eighteen to one (18:1).

41 (B) If the school corporation's at-risk index is at least seventeen-hundredths (0.17) but
42 less than twenty-seven hundredths (0.27), the school corporation's target pupil teacher
43 ratio is fifteen (15) plus the result determined in item (iii):

44 (i) Determine the result of twenty-seven hundredths (0.27) minus the school
45 corporation's at-risk index.

46 (ii) Determine the item (i) result divided by one-tenth (0.1).

47 (iii) Determine the item (ii) result multiplied by three (3).

48 (C) If the school corporation's at-risk index is at least twenty-seven hundredths (0.27),
49 the school corporation's target pupil teacher ratio is fifteen to one (15:1).

50 STEP TWO: Determine the result of:

51 (A) the ADM of the school corporation, as determined under section 2(2) of this chapter,



1 in kindergarten through grade 3 for the current school year; divided by
2 (B) the school corporation's target pupil teacher ratio, as determined in STEP ONE.

3 STEP THREE: Determine the result of:

4 (A) the total regular general fund revenue (the amount determined in ~~STEP ONE of~~
5 ~~IC 21-3-1.7-8~~ **IC 21-3-1.7-8.2(c) STEP ONE or IC 21-3-1.7-8.2(d) STEP ONE**)
6 multiplied by seventy-five hundredths (0.75); divided by

7 (B) the school corporation's total ADM.

8 STEP FOUR: Determine the result of:

9 (A) the STEP THREE result; multiplied by

10 (B) the ADM of the school corporation, as determined under section 2(2) of this chapter
11 in kindergarten through grade 3 for the current school year.

12 STEP FIVE: Determine the result of:

13 (A) the STEP FOUR result; divided by

14 (B) the staff cost amount.

15 STEP SIX: Determine the greater of zero (0) or the result of:

16 (A) the STEP TWO amount; minus

17 (B) the STEP FIVE amount.

18 STEP SEVEN: Determine the result of:

19 (A) the STEP SIX amount; multiplied by

20 (B) the staff cost amount.

21 STEP EIGHT: Determine the greater of the STEP SEVEN amount or the school
22 corporation's guaranteed amount.

23 STEP NINE: If the amount the school corporation received under this chapter in the
24 previous calendar year is greater than zero (0), determine the lesser of:

25 (A) the STEP EIGHT amount; or

26 (B) the amount the school corporation received under this chapter for the previous
27 calendar year multiplied by one hundred seven and one-half percent (107.5%).

28 ~~For 2000 calculations, the amount the school corporation received under this chapter for the~~
29 ~~previous calendar year is the 1999 calendar year allocation, before any penalty was assessed~~
30 ~~under this chapter.~~

31 (b) The amount received under this chapter shall be devoted to reducing class size in
32 kindergarten through grade 3. A school corporation shall compile class size data for kindergarten
33 through grade 3 and report the data to the department of education for purposes of maintaining
34 compliance with this chapter.

35 SECTION 74. IC 21-1-30-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
36 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 10. This chapter expires January**
37 **1, 2006.**

38 SECTION 75. IC 21-2-4-7, AS ADDED BY P.L.178-2002, SECTION 89, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 7. (a) The
40 governing body of a school corporation may adopt a resolution to transfer after June 30, 2002,
41 and before January 1, 2003, money that is:

42 (1) not greater than the remainder of the amount described in ~~IC 21-3-1.7-8~~
43 **IC 21-3-1.7-8.2(c) STEP TWO (C)** minus the amount transferred under IC 21-2-11.5-5(a)
44 and IC 21-2-15-13.1(a); and

45 (2) on deposit in the school corporation's debt service fund;
46 to the school corporation's general fund for use for any general fund purpose.

47 (b) The governing body of a school corporation may adopt a resolution to transfer after
48 December 31, 2002, and before July 1, 2003, money that is:

49 (1) not greater than the remainder of the amount described in ~~IC 21-3-1.7-8~~
50 **IC 21-3-1.7-8(b) STEP TWO (D)** minus the amount transferred under IC 21-2-11.5-5(b)
51 and IC 21-2-15-13.1(b); and



(2) on deposit in the school corporation's debt service fund;
to the school corporation's general fund for use for any general fund purpose.

(c) This section expires July 1, 2003.

SECTION 76. IC 21-2-11.5-5, AS ADDED BY P.L.178-2002, SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 5. (a) The governing body of a school corporation may adopt a resolution to transfer after June 30, 2002, and before January 1, 2003, money that is:

(1) not greater than the remainder of the amount described in ~~IC 21-3-1.7-8~~ **IC 21-3-1.7-8.2(c)** STEP TWO (C) minus the amount transferred under IC 21-2-4-7(a) and IC 21-2-15-13.1(a); and

(2) on deposit in the school corporation's:

(A) transportation fund;

(B) school bus replacement fund; or

(C) both the transportation fund and school bus replacement fund;

to the school corporation's general fund for use for any general fund purpose.

(b) The governing body of a school corporation may adopt a resolution to transfer after December 31, 2002, and before July 1, 2003, money that is:

(1) not greater than the remainder of the amount described in ~~IC 21-3-1.7-8~~ **IC 21-3-1.7-8.2(c)** STEP TWO (D) minus the amount transferred under IC 21-2-4-7(b) and IC 21-2-15-13.1(b); and

(2) on deposit in the school corporation's:

(A) transportation fund;

(B) school bus replacement fund; or

(C) both the transportation fund and school bus replacement fund;

to the school corporation's general fund for use for any general fund purpose.

(c) This section expires July 1, 2003.

SECTION 77. IC 21-2-15-4, AS AMENDED BY P.L.144-2002, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) **As used in this subsection, "calendar year distribution" means the sum of:**

(1) all distributions to a school corporation under:

(A) IC 6-1.1-19-1.5; and

(B) IC 21-3-1.7-3.2;

for the calendar year; plus

(2) plus the school corporation's excise tax revenue (as defined in IC 21-3-1.7-2) for the immediately preceding calendar year; plus

(3) one-half (0.5) of the amount distributed to the school corporation under IC 21-3-1.7-9.7 for the immediately preceding calendar year.

(b) A school corporation may establish a capital projects fund.

~~(b)~~ **(c)** With respect to any facility used or to be used by the school corporation (other than a facility used or to be used primarily for interscholastic or extracurricular activities, except as provided in subsection ~~(i)~~ **(j)**), the fund may be used to pay for the following:

(1) Planned construction, repair, replacement, or remodeling.

(2) Site acquisition.

(3) Site development.

(4) Repair, replacement, or site acquisition that is necessitated by an emergency.

~~(c)~~ **(d)** The fund may be used to pay for the purchase, lease, repair, or maintenance of equipment to be used by the school corporation (other than vehicles to be used for any purpose and equipment to be used primarily for interscholastic or extracurricular activities, except as provided in subsection ~~(i)~~ **(j)**).

~~(d)~~ **(e)** The fund may be used for any of the following purposes:

(1) To purchase, lease, upgrade, maintain, or repair one (1) or more of the following:



- 1 (A) Computer hardware.
2 (B) Computer software.
3 (C) Wiring and computer networks.
4 (D) Communication access systems used to connect with computer networks or
5 electronic gateways.
6 (2) To pay for the services of full-time or part-time computer maintenance employees.
7 (3) To conduct nonrecurring inservice technology training of school employees.
8 (4) To fund the payment of advances, together with interest on the advances, from the
9 common school fund for educational technology programs under IC 21-1-5.
10 (5) To fund the acquisition of any equipment or services necessary:
11 (A) to implement the technology preparation curriculum under IC 20-10.1-5.6;
12 (B) to participate in a program to provide educational technologies, including computers,
13 in the homes of students (commonly referred to as "the buddy system project") under
14 IC 20-10.1-25, the 4R's technology program under IC 20-10.1-25, or any other program
15 under the educational technology program described in IC 20-10.1-25; or
16 (C) to obtain any combination of equipment or services described in clauses (A) and (B).
17 ~~(e)~~ (f) The fund may be used to purchase:
18 (1) building sites;
19 (2) buildings in need of renovation;
20 (3) building materials; and
21 (4) equipment;
22 for the use of vocational building trades classes to construct new buildings and to remodel
23 existing buildings.
24 ~~(f)~~ (g) The fund may be used for leasing or renting of existing real estate, excluding payments
25 authorized under IC 21-5-11 and IC 21-5-12.
26 ~~(g)~~ (h) The fund may be used to pay for services of the school corporation employees that are
27 bricklayers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos
28 removers, painters, paperhangers, drywall applicators and tapers, plasterers, pipe fitters, roofers,
29 structural and steel workers, metal building assemblers, heating and air conditioning installers,
30 welders, carpenters, electricians, or plumbers, as these occupations are defined in the United
31 States Department of Labor, Employment and Training Administration, Dictionary of
32 Occupational Titles, Fourth Edition, Revised 1991, if:
33 (1) the employees perform construction of, renovation of, remodeling of, repair of, or
34 maintenance on the facilities and equipment specified in subsections (b) and (c);
35 (2) the school corporation's total annual salary and benefits paid by the school corporation
36 to employees described in this subsection are at least six hundred thousand dollars
37 (\$600,000); and
38 (3) the payment of the employees described in this subsection is included as part of the
39 proposed capital projects fund plan described in section 5(a) of this chapter.
40 However, the number of employees that are covered by this subsection is limited to the number
41 of employee positions described in this subsection that existed on January 1, 1993. For purposes
42 of this subsection, maintenance does not include janitorial or comparable routine services
43 normally provided in the daily operation of the facilities or equipment.
44 ~~(h)~~ (i) The fund may be used to pay for energy saving contracts entered into by a school
45 corporation under IC 36-1-12.5.
46 ~~(i)~~ (j) Money from the fund may be used to pay for the construction, repair, replacement,
47 remodeling, or maintenance of a school sports facility. However, a school corporation's
48 expenditures in a calendar year under this subsection may not exceed five percent (5%) of the
49 property tax revenues levied for the fund in the calendar year.
50 ~~(j)~~ (k) Money from the fund may be used to carry out a plan developed under IC 20-10.1-33.
51 **(l) This subsection applies during the period beginning January 1, 2004, and ending**



December 31, 2005. Money from the fund may be used to pay for up to one hundred percent (100%) of the following costs of a school corporation:

- (1) Utility services.
- (2) Property or casualty insurance.
- (3) Both utility services and property or casualty insurance.

However, a school corporation's expenditures under this subsection in a calendar year may not exceed one percent (1%) of the school corporation's 2003 calendar year distribution.

(m) This subsection applies during the period beginning January 1, 2004, and ending December 31, 2005. Notwithstanding subsection (l), a school corporation's expenditures in a calendar year under subsection (l) may exceed one percent (1%) of the school corporation's 2003 calendar year distribution if the school corporation's current calendar year distribution is equal to or less than ninety-nine percent (99%) of the school corporation's 2003 calendar year distribution. The amount by which a school corporation's expenditures in a calendar year under subsection (l) may exceed one percent (1%) of the school corporation's 2003 calendar year distribution is the least of the following:

- (1) One percent (1%) of the school corporation's 2003 calendar year distribution.
- (2) The greater of zero (0) or the difference between:
 - (A) the sum of:
 - (i) the amount under IC 21-3-1.7-8.2(c) STEP ONE;
 - (ii) the amount determined for the school corporation under subsection (l); plus
 - (iii) the amount determined for the school corporation under this subsection, if any;
 - for the immediately preceding calendar year; minus
 - (B) the amount under IC 21-3-1.7-8.2(d) STEP ONE for the calendar year.
- (3) The difference between:
 - (A) one hundred percent (100%) of the school corporation's costs for utility services and property or casualty insurance; minus
 - (B) the amount determined for the school corporation under subsection (l) for the calendar year.

SECTION 78. IC 21-2-15-5, AS AMENDED BY P.L. 177-2002, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) This subsection does not apply to a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), unless a resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of the school corporation is in effect. Before a governing body may collect property taxes for a capital projects fund in a particular year, the governing body must, after January 1 and not later than September 20 of the immediately preceding year, hold a public hearing on a proposed **or amended** plan and then pass a resolution to adopt **a the proposed or amended** plan.

(b) This subsection applies only to a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000). This subsection does not apply to the school corporation if a resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of the school corporation is in effect. Before the governing body of the school corporation may collect property taxes for a capital projects fund in a particular year, the governing body must, after January 1 and on or before February 1 of the immediately preceding year, hold a public hearing on a proposed **or amended** plan and then pass a resolution to adopt **a the proposed or amended** plan.

(c) The department of local government finance shall prescribe the format of the plan. A plan must apply to at least the three (3) years immediately following the year the plan is adopted. A plan must estimate for each year to which it applies the nature and amount of proposed expenditures from the capital projects fund. A plan must estimate:

- (1) the source of all revenue to be dedicated to the proposed expenditures in the upcoming



1 calendar year; and
2 (2) the amount of property taxes to be collected in that year and retained in the fund for
3 expenditures proposed for a later year.

4 (d) If a hearing is scheduled under subsection (a) or (b), the governing body shall publish the
5 proposed plan and a notice of the hearing in accordance with IC 5-3-1-2(b).

6 **(e) Subject to any notice and hearing requirements, a school corporation may amend a**
7 **plan adopted under this chapter to include expenditures under section 4(l) or 4(m) of this**
8 **chapter.**

9 SECTION 79. IC 21-2-15-6, AS AMENDED BY P.L.90-2002, SECTION 443, IS AMENDED
10 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. (a) The governing body shall
11 publish a notice of the adoption **or amendment** of ~~the a~~ plan in accordance with IC 5-3-1-2(b).
12 This publication must be made no later than twenty (20) days after the county auditor posts and
13 publishes the notice of the school corporation's tax rate for the ensuing calendar year.

14 (b) In the first year that a plan is proposed, ten (10) or more taxpayers who will be affected
15 by the adopted plan may file a petition with the county auditor of a county in which the school
16 corporation is located not later than ten (10) days after the publication, setting forth their
17 objections to the proposed plan. After the first year a plan is proposed, ten (10) or more taxpayers
18 who will be affected by the adopted plan may file a petition with the county auditor of a county
19 in which the school corporation is located not later than ten (10) days after the publication,
20 setting forth their objections to any item in the proposed plan **or amendment to the plan** that
21 does not concern a construction project that had previously been included in an adopted capital
22 project fund plan. The county auditor shall immediately certify the petition to the department of
23 local government finance.

24 SECTION 80. IC 21-2-15-13.1, AS ADDED BY P.L.178-2002, SECTION 93, IS AMENDED
25 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 13.1. (a)
26 The governing body of a school corporation may adopt a resolution to transfer after June 30,
27 2002, and before January 1, 2003, money that is:

28 (1) not greater than the remainder of the amount described in ~~IC 21-3-1.7-8~~
29 **IC 21-3-1.7-8.2(c)** STEP TWO (C) minus the amount transferred under IC 21-2-4-7(a) and
30 IC 21-2-11.5-5(a); and

31 (2) on deposit in the school corporation's capital projects fund;
32 to the school corporation's general fund for use for any general fund purpose.

33 (b) The governing body of a school corporation may adopt a resolution to transfer after
34 December 31, 2002, and before July 1, 2003, money that is:

35 (1) not greater than the remainder of the amount described in ~~IC 21-3-1.7-8~~
36 **IC 21-3-1.7-8.2(c)** STEP TWO (D) minus the amount transferred under IC 21-2-4-7(b) and
37 IC 21-2-11.5-5(b); and

38 (2) on deposit in the school corporation's capital projects fund;
39 to the school corporation's general fund for use for any general fund purpose.

40 (c) This section expires July 1, 2003.

41 SECTION 81. IC 21-2-18-3, AS ADDED BY P.L.77-1999, SECTION 9, IS AMENDED TO
42 READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) Except as provided in subsection
43 (b), the fund may be used for one (1) or more of the purposes described in IC 20-5-62-6(4)(B),
44 IC 20-10.1-25, IC 20-10.1-25.3, or ~~IC 21-2-15-4(d)~~ **IC 21-2-15-4(e)**.

45 (b) Money in the fund may not be used to purchase software programs to be used exclusively
46 for administrative purposes, such as payroll and attendance records, personnel records,
47 administration of insurance or pension programs, or any other similar purpose. However, if a
48 particular software program is to be used for administrative purposes and for other purposes
49 described in subsection (a), a portion of the cost of the software program may be paid from the
50 fund. The portion of the cost that may be paid from the fund is the total cost of the software
51 program multiplied by the estimated percentage of use of the software program for



1 nonadministrative purposes.

2 SECTION 82. IC 21-2-18-4, AS AMENDED BY P.L.86-2000, SECTION 2, IS AMENDED
3 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. Before February 15 of 2001 and
4 each year thereafter, each school corporation shall file a report with the superintendent of public
5 instruction's special assistant for technology. The report must be prepared in the form prescribed
6 by the special assistant for technology and must include a list of expenditures made by the school
7 corporation during the preceding calendar year from the school corporation's:

8 (1) school technology fund for purposes described in this chapter;

9 (2) capital projects fund for purposes described in ~~IC 21-2-15-4(d)~~; **IC 21-2-15-4(e)**; and

10 (3) debt service fund for purposes of providing financing for any equipment or facilities
11 used to provide educational technology programs.

12 Before April 1 of 2001 and each year thereafter, the special assistant for technology shall compile
13 the information contained in the reports required by this section and present that compilation to
14 the educational technology council.

15 SECTION 83. IC 21-3-1.6-1.1, AS AMENDED BY P.L.111-2002, SECTION 6, IS
16 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:
17 Sec. 1.1. As used in this chapter:

18 (a) "School corporation" means any local public school corporation established under Indiana
19 law. **Except as otherwise indicated, the term includes a charter school established under**
20 **IC 20-5.5.**

21 (b) "School year" means a year beginning July 1 and ending the next succeeding June 30.

22 (c) "State distribution" due a school corporation means the amount of state funds to be
23 distributed to a school corporation in any calendar year under this chapter.

24 (d) "Average daily membership" or "ADM" of a school corporation means the number of
25 eligible pupils enrolled in the school corporation or in a transferee corporation on a day to be
26 fixed annually by the Indiana state board of education **Such and, beginning in the school year**
27 **that ends in the 2005 calendar year, as subsequently adjusted not later than January 30**
28 **under the rules adopted by the state board of education. The initial day of the count shall**
29 **fall within the first thirty (30) days of the school term. If, however, extreme patterns of student**
30 **in-migration, illness, natural disaster, or other unusual conditions in a particular school**
31 **corporation's enrollment on either the particular day thus fixed by the Indiana state board of**
32 **education or on the subsequent adjustment date, cause the enrollment to be unrepresentative**
33 **of the school corporation's enrollment throughout a school year, the Indiana state board of**
34 **education may designate another day for determining the school corporation's enrollment. The**
35 **Indiana state board of education shall monitor changes that occur after the fall count, in the**
36 **number of students enrolled in programs for children with disabilities and shall, before December**
37 **2 of that same year and, beginning in the 2004 calendar year, before April 2 of the following**
38 **calendar year, make an adjusted count of students enrolled in programs for children with**
39 **disabilities. The superintendent of public instruction shall certify the December adjusted count**
40 **to the budget committee before February 5 of the following year and the April adjusted count**
41 **not later than May 31 immediately after the date of the April adjusted count. In determining**
42 **the ADM, each kindergarten pupil shall be counted as one-half (1/2) pupil. Where a school**
43 **corporation commences kindergarten in a school year, the ADM of the current and prior calendar**
44 **years shall be adjusted to reflect the enrollment of the kindergarten pupils. In determining the**
45 **ADM, each pupil enrolled in a public school and a nonpublic school is to be counted on a**
46 **full-time equivalency basis as provided in section 1.2 of this chapter. "Current ADM" of a school**
47 **corporation, used in computing its state distribution in a calendar year means the ADM of the**
48 **school year ending in the calendar year. "ADM of the previous year" or "ADM of the prior year"**
49 **of a school corporation used in computing its state distribution in a calendar year means the**
50 **ADM of the school corporation for the school year ending in the preceding calendar year.**

51 (e) "Additional count" of a school corporation, or comparable language, means the aggregate



1 of the additional counts of the school corporation for certain pupils as set out in section 3 of this
2 chapter (repealed) and as determined at the times for calculating ADM. "Current additional
3 count" means the **initial computed** additional count of the school corporation for the school year
4 ending in the calendar year. "Prior year additional count" of a school corporation used in
5 computing its state distribution in a calendar year means the **initial computed** additional count
6 of the school corporation for the school year ending in the preceding calendar year.

7 (f) **For purposes of this subsection, "school corporation" does not include a charter**
8 **school.** "Adjusted assessed valuation" of any school corporation used in computing state
9 distribution for a calendar year means the assessed valuation in the school corporation, adjusted
10 as provided in IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the
11 department of local government finance to the extent it consists of real or personal property
12 owned by a railroad or other corporation under the jurisdiction of a federal court under the federal
13 bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a
14 bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal
15 property taxes for the year to which the valuation applies. If the railroad or other corporation in
16 some subsequent calendar year makes payment of the delinquent taxes, then the state
17 superintendent of public instruction shall prescribe adjustments in the distributions of state funds
18 pursuant to this chapter as are thereafter to become due to a school corporation affected by the
19 delinquency as will ensure that the school corporation will not have been unjustly enriched under
20 the provisions of P.L.382-1987(ss). The amount of the valuation shall also be adjusted downward
21 by the department of local government finance to the extent it consists of real or personal
22 property described in IC 6-1.1-17-0.5(b).

23 (g) "General fund" means a ~~school corporation~~ fund established under IC 21-2-11-2.

24 (h) "Teacher" means every person who is required as a condition of employment by a school
25 corporation to hold a teacher's license issued or recognized by the state, except substitutes and
26 any person paid entirely from federal funds.

27 (i) **For purposes of this subsection, "school corporation" does not include a charter**
28 **school.** "Teacher ratio" of a school corporation used in computing state distribution in any
29 calendar year means the ratio assigned to the school corporation pursuant to section 2 of this
30 chapter.

31 (j) "Eligible pupil" means a pupil enrolled in a school corporation if:

- 32 (1) the school corporation has the responsibility to educate the pupil in its public schools
33 without the payment of tuition;
34 (2) subject to subdivision (5), the school corporation has the responsibility to pay transfer
35 tuition under IC 20-8.1-6.1, because the pupil is transferred for education to another school
36 corporation (the "transferee corporation");
37 (3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3
38 or entitled to be counted for ADM or additional count purposes as a resident of the school
39 corporation when attending its schools under any other applicable law or regulation;
40 (4) the state is responsible for the payment of transfer tuition to the school corporation for
41 the pupil under IC 20-8.1-6.1; or
42 (5) all of the following apply:

43 (A) The school corporation is a transferee corporation.

44 (B) The pupil does not qualify as a qualified pupil in the transferee corporation under
45 subdivision (3) or (4).

46 (C) The transferee corporation's attendance area includes a state licensed private or
47 public health care facility, child care facility, or foster family home where the pupil was
48 placed:

49 (i) by or with the consent of the division of family and children;

50 (ii) by a court order;

51 (iii) by a child placing agency licensed by the division of family and children; or



1 (iv) by a parent or guardian under IC 20-8.1-6.1-5.

2 **For purposes of IC 21-3-12, the term includes a student enrolled in a charter school.**

3 (k) "General fund budget" of a school corporation means the amount of the budget approved
4 for a given year by the department of local government finance and used by the department of
5 local government finance in certifying a school corporation's general fund tax levy and tax rate
6 for the school corporation's general fund as provided for in IC 21-2-11. **The term does not apply**
7 **to a charter school.**

8 (l) "At risk index" means the **following:**

9 **(1) For a school corporation that is not a charter school, the sum of:**

10 **(+) (A)** the product of sixteen-hundredths (0.16) multiplied by the percentage of families
11 in the school corporation with children who are less than eighteen (18) years of age and
12 who have a family income below the federal income poverty level (as defined in
13 IC 12-15-2-1);

14 **(-) (B)** the product of four-tenths (0.4) multiplied by the percentage of families in the
15 school corporation with a single parent; and

16 **(-) (C)** the product of forty-four hundredths (0.44) multiplied by the percentage of the
17 population in the school corporation who are at least twenty (20) years of age with less
18 than a twelfth grade education.

19 The data to be used in making the calculations under this ~~subsection~~ **subdivision** must be
20 the data from the 1990 federal decennial census.

21 **(2) For a charter school, the index determined under subdivision (1) for the school**
22 **corporation in which the charter school is located.**

23 **(m) "ADM of the previous year" or "ADM of the prior year" used in computing a state**
24 **distribution in a calendar year means:**

25 **(1) For a:**

26 **(A) school corporation that is not a charter school; or**

27 **(B) charter school beginning in the second calendar year after the calendar year in**
28 **which the charter school begins its initial operation;**

29 **the initial computed ADM for the school year ending in the preceding calendar year.**

30 **(2) For a conversion charter school in the calendar year after the calendar year in**
31 **which the conversion charter school is established, the initial computed ADM for the**
32 **school year ending in the preceding calendar year of the school that converted to the**
33 **charter school under IC 20-5.5-11.**

34 **(n) "Current ADM" used in computing a state distribution in a calendar year means the**
35 **initial computed ADM for the school year ending in the calendar year.**

36 SECTION 84. IC 21-3-1.6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JANUARY 1, 2002 (RETROACTIVE)]: Sec. 2. **(a) As used in this section, "school**
38 **corporation" does not include a charter school.**

39 **(b)** To each school corporation there shall be assigned for each calendar year a teacher ratio
40 which shall consist of the average training and experience factor of the school corporation
41 divided by the state training and experience factor for the same year. The training and experience
42 factor of the school corporation for each calendar year shall be calculated by assigning to each
43 of its teachers employed on October 1 of the preceding year an index number in accordance with
44 the following table, adding the total index numbers of all teachers in the school corporation and
45 dividing the total by the number of teachers. The state factor shall be similarly calculated for all
46 the teachers employed by the state's school corporations.

	Amount of College Training	Amount of Experience	Index Factor
47			
48			
49	(a) Less than 4 years	Not applicable	0.7
50	(b) 4 years but less	Less than 6 years	0.8
51	than 5 years		



1		6 years or more	0.9
2	(c) 5 years or more	Less than 5 years	1.0
3		5 years or more	
4		but less than 11	
5		years	1.1
6		11 years or more	
7		but less than 17	
8		years	1.2
9		17 years or more	1.3a

SECTION 85. IC 21-3-1.7-2, AS AMENDED BY P.L.192-2002(ss), SECTION 164, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

Sec. 2. As used in this chapter, "excise tax revenue" means the amount of:

(1) financial institution excise tax revenue (IC 6-5.5); plus

(2) the motor vehicle excise taxes (IC 6-6-5) and the commercial vehicle excise taxes (IC 6-6-5.5);

~~the a~~ school corporation **that is not a charter school** received for deposit in the school corporation's general fund in a year. **The excise tax revenue for a charter school is zero (0).**

SECTION 86. IC 21-3-1.7-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

Sec. 3.2. (a) As used in this chapter, "previous year revenue" for calculations with respect to a school corporation equals:

(1) the school corporation's tuition support for regular programs, including basic tuition support, and excluding:

(A) special education grants;

(B) vocational education grants;

(C) at-risk programs;

(D) the enrollment adjustment grant;

(E) the academic honors diploma award; and

(F) the primetime distribution;

for the year that precedes the current year; plus

(2) for a school corporation that is not a charter school, the school corporation's tuition support levy for the year that precedes the current year before the reductions required under section 5(1) and 5(2) of this chapter; plus

(3) for a charter school, the total amount distributed to the charter school under IC 6-1.1-19-12 for the year that precedes the current year; plus

(4) distributions received by the school corporation under IC 6-1.1-21.6 for the year that precedes the current year; plus

(5) the school corporation's excise tax revenue for the year that precedes the current year by two (2) years; minus

(6) an amount equal to the reduction in the school corporation's tuition support under subsection (b) or IC 20-10.1-2-1, or both; plus

(7) in calendar year 2003, the transfer amount determined for calendar year 2002 under STEP TWO (C) of section 8.2 of this chapter.

(b) A school corporation's previous year revenue shall be reduced if:

(1) the school corporation's state tuition support for special or vocational education was reduced as a result of a complaint being filed with the department of education after December 31, 1988, because the school program overstated the number of children enrolled in special or vocational education programs; and

(2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received



1 in tuition support for special and vocational education because of the overstatement.

2 (c) The previous year revenue of a school corporation that is not a charter school shall
3 be reduced if an existing elementary or secondary school located in the school corporation
4 converts to a charter school under IC 20-5.5-11. The amount of the reduction equals the
5 product of:

6 (1) the sum of the amounts distributed to the conversion charter school under
7 IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d); multiplied by

8 (2) two (2).

9 SECTION 87. IC 21-3-1.7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2002 (RETROACTIVE)]: Sec. 4. As used in this chapter, "tuition support" with
11 respect to a school corporation for a year means the total amount of state tuition support the
12 school corporation actually received in that year for basic programs under section 8 8.2 of this
13 chapter.

14 SECTION 88. IC 21-3-1.7-5, AS AMENDED BY P.L.85-2002, SECTION 5, IS AMENDED
15 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: Sec. 5. (a) As
16 used in this section, "school corporation" does not include a charter school.

17 (b) As used in this chapter, "tuition support levy" means with respect to a school corporation
18 for a year the maximum general fund ad valorem property tax levy for the school corporation
19 determined under IC 6-1.1-19-1.5 reduced by the following:

20 (1) An amount equal to the annual decrease in federal aid to impacted areas from the year
21 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing
22 calendar year by two (2) years.

23 (2) The portion of the maximum general fund levy for the year that equals the original
24 amount of the levy imposed by the school corporation to cover the costs of opening a new
25 school facility during the preceding year.

26 SECTION 89. IC 21-3-1.7-6.6, AS AMENDED BY P.L.291-2001, SECTION 92, IS
27 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6.6. (a) For purposes
28 of this chapter, a school corporation's "adjusted ADM" for the current year is the result
29 determined under the following formula:

30 STEP ONE: Determine the greatest of the following:

31 (A) The school corporation's ADM for the year preceding the current year by three (3)
32 years:

33 (B) The school corporation's ADM for the year preceding the current year by two (2)
34 years:

35 (C) The school corporation's ADM for the year preceding the current year by one (1)
36 year:

37 (D) The school corporation's ADM for the current year:

38 STEP TWO: Determine the greater of zero (0) or the result of:

39 (A) the school corporation's ADM for the year preceding the current year by four (4)
40 years; minus

41 (B) the STEP ONE amount:

42 STEP THREE: Determine the greatest of the following:

43 (A) The school corporation's ADM for the year preceding the current year by two (2)
44 years:

45 (B) The school corporation's ADM for the year preceding the current year by one (1)
46 year:

47 (C) The school corporation's ADM for the current year:

48 STEP FOUR: Determine the greater of zero (0) or the result of:

49 (A) the school corporation's ADM for the year preceding the current year by three (3)
50 years; minus

51 (B) the STEP THREE amount:



- 1 STEP ~~FIVE~~: **ONE**: Determine the greater of the following:
- 2 (A) The school corporation's ADM for the year preceding the current year by one (1)
- 3 year.
- 4 (B) The school corporation's ADM for the current year.
- 5 STEP ~~SIX~~: **TWO**: Determine the greater of zero (0) or the result of:
- 6 (A) the school corporation's ADM for the year preceding the current year by two (2)
- 7 years; minus
- 8 (B) the STEP ~~FIVE~~ **ONE** amount.
- 9 STEP ~~SEVEN~~: **THREE**: Determine the greater of zero (0) or the result of:
- 10 (A) the school corporation's ADM for the year preceding the current year by one (1)
- 11 year; minus
- 12 (B) the school corporation's ADM for the current year.
- 13 STEP ~~EIGHT~~: **FOUR**: Determine the sum of the following:
- 14 (A) The STEP TWO result multiplied by ~~two-tenths (0.2)~~: **three-tenths (0.3)**.
- 15 (B) The STEP ~~FOUR~~ **THREE** result multiplied by ~~four-tenths (0.4)~~:
- 16 ~~(C) The STEP SIX result multiplied by six-tenths (0.6)~~.
- 17 ~~(D) The STEP SEVEN result multiplied by eight-tenths (0.8)~~.
- 18 STEP ~~NINE~~: **FIVE**: Determine the result of:
- 19 (A) the school corporation's ADM for the current year; plus
- 20 (B) the STEP ~~EIGHT~~ **FOUR** result.
- 21 **STEP SIX: This STEP applies to a school corporation that is not a charter school and**
- 22 **for which the amount determined under STEP FOUR is zero (0). Determine the sum**
- 23 **of:**
- 24 (A) the school corporation's ADM for the 2003 school year; plus
- 25 (B) the subsection (b) or (c) result, whichever is applicable.
- 26 Round the result to the nearest five-tenths (0.5).
- 27 (b) This subsection applies during the 2004 calendar year to a school corporation
- 28 described in subsection (a) STEP SIX. Determine the result under the following formula:
- 29 **STEP ONE: Determine the difference between:**
- 30 (A) the school corporation's ADM for the 2004 school year; minus
- 31 (B) the school corporation's ADM for the 2003 school year.
- 32 **STEP TWO: Determine the greater of zero (0) or the difference between:**
- 33 (A) the STEP ONE amount; minus
- 34 (B) fifty (50).
- 35 **STEP THREE: Determine the product of:**
- 36 (A) the STEP TWO amount; multiplied by
- 37 (B) three-thousandths (0.003).
- 38 **STEP FOUR: Determine the lesser of the following:**
- 39 (A) The STEP THREE amount.
- 40 (B) Seventy-five hundredths (0.75).
- 41 **STEP FIVE: Determine the product of:**
- 42 (A) the STEP ONE amount; multiplied by
- 43 (B) the STEP FOUR amount.
- 44 (c) This subsection applies during the 2005 calendar year to a school corporation
- 45 described in subsection (a) STEP SIX. Determine the result under the following formula:
- 46 **STEP ONE: Determine the difference between:**
- 47 (A) the school corporation's ADM for the 2005 school year; minus
- 48 (B) the school corporation's ADM for the 2004 school year.
- 49 **STEP TWO: Determine the greater of zero (0) or the difference between:**
- 50 (A) the STEP ONE amount; minus
- 51 (B) fifty (50).



STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) three-thousandths (0.003).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE amount.

(B) Seventy-five hundredths (0.75).

STEP FIVE: Determine the product of:

(A) the STEP ONE amount; multiplied by

(B) the STEP FOUR amount.

STEP SIX: Determine the subsection (b) amount.

STEP NINE: Determine the sum of:

(A) the STEP FIVE result; plus

(B) the STEP SIX result.

SECTION 90. IC 21-3-1.7-6.7, AS AMENDED BY P.L.111-2002, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:
Sec. 6.7. (a) **This subsection applies during the 2003 calendar year.** For each school corporation **that is not a charter school**, the index used in subsection ~~(b)~~ (e) is determined under the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of the following:

(1) Multiply the school corporation's at risk index by twenty-three hundredths (0.23) in 2002 and twenty-five hundredths (0.25) in 2003.

(2) Divide the result under subdivision (1) by three thousand seven hundred thirty-six ten-thousandths (0.3736).

(3) Subtract three hundred sixty-four ten-thousandths (0.0364) in 2002 and three hundred ninety-five ten-thousandths (0.0395) in 2003 from the result under subdivision (2).

STEP TWO: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were eligible for free lunches in the school year ending in 2001 by twenty-three hundredths (0.23) in 2002 and twenty-five hundredths (0.25) in 2003.

(2) Divide the result under subdivision (1) by seven hundred twenty-three thousandths (0.723).

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2000 by twenty-three hundredths (0.23) in 2002 and twenty-five hundredths (0.25) in 2003.

(2) Divide the result under subdivision (1) by one thousand seven hundred fifteen ten-thousandths (0.1715).

STEP FOUR: Determine the result of:

(1) the sum of the results in STEPS ONE through THREE; divided by

(2) three (3).

STEP FIVE: Determine the result of one (1) plus the STEP FOUR result.

(b) This subsection applies during the 2003 calendar year. For each charter school, the index used in subsection (e) is one and one hundred twenty-four thousandths (1.124).

(c) This subsection applies to calendar years beginning after December 31, 2003. For each school corporation that is not a charter school, the index used in subsection (f) is determined under the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of the following:

(1) **Determine the percentage of the population in the school corporation who are at least twenty (20) years of age with less than a twelfth grade education.**

(2) **Determine the quotient of:**



- (A) nine hundred seventy dollars (\$970); divided by
(B) four thousand five hundred dollars (\$4,500).
- (3) Determine the product of:
(A) the subdivision (1) amount; multiplied by
(B) the subdivision (2) amount.
- STEP TWO: Determine the greater of zero (0) or the result of the following:**
(1) Determine the percentage of the school corporation's students who were eligible for free lunches in the school year ending in 2003.
(2) Determine the quotient of:
(A) one thousand two hundred dollars (\$1,200); divided by
(B) four thousand five hundred dollars (\$4,500).
(3) Determine the product of:
(A) the subdivision (1) amount; multiplied by
(B) the subdivision (2) amount.
- STEP THREE: Determine the greater of zero (0) or the result of the following:**
(1) Determine the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2003.
(2) Determine the quotient of:
(A) four hundred thirty dollars (\$430); divided by
(B) four thousand five hundred dollars (\$4,500).
(3) Determine the product of:
(A) the subdivision (1) amount; multiplied by
(B) the subdivision (2) amount.
- STEP FOUR: Determine the greater of zero (0) or the result of the following:**
(1) Determine the percentage of families in the school corporation with a single parent.
(2) Determine the quotient of:
(A) five hundred thirty dollars (\$530); divided by
(B) four thousand five hundred dollars (\$4,500).
(3) Determine the product of:
(A) the subdivision (1) amount; multiplied by
(B) the subdivision (2) amount.
- STEP FIVE: Determine the greater of zero (0) or the result of the following:**
(1) Determine the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income level below the federal income poverty level (as defined in IC 12-15-2-1).
(2) Determine the quotient of:
(A) three hundred thirty dollars (\$330); divided by
(B) four thousand five hundred dollars (\$4,500).
(3) Determine the product of:
(A) the subdivision (1) amount; multiplied by
(B) the subdivision (2) amount.
- STEP SIX: Determine the sum of the results in STEPS ONE through FIVE.**
STEP SEVEN: Determine the result of one (1) plus the STEP SIX result.
STEP EIGHT: This STEP applies if the STEP SEVEN result is equal to or greater than one and twenty-five hundredths (1.25). Determine the result of the following:
(1) Determine the STEP TWO (1) amount for the school corporation.
(2) Determine the quotient of:
(A) one hundred fifty dollars (\$150); divided by
(B) four thousand five hundred dollars (\$4,500).
(3) Determine the product of:



- 1 (A) the subdivision (1) amount; multiplied by
- 2 (B) the subdivision (2) amount.
- 3 (4) Determine the percentage of families in the school corporation with children
- 4 who are less than eighteen (18) years of age and who have a family income level
- 5 below the federal income poverty level (as defined in IC 12-15-2-1).
- 6 (5) Determine the product of:
- 7 (A) the subdivision (4) amount; multiplied by
- 8 (B) the subdivision (2) amount.
- 9 (6) Determine the result of:
- 10 (A) the subdivision (3) result; plus
- 11 (B) the subdivision (5) result.
- 12 (7) Determine the result of:
- 13 (A) the STEP SEVEN result; plus
- 14 (B) the subdivision (6) result.

15 The data to be used in making the calculations under STEP ONE, STEP FOUR, and STEP
16 FIVE of this subsection must be the data from the 1990 federal decennial census.

17 (d) This subsection applies to calendar years beginning after December 31, 2003. For
18 each charter school, the index used in subsection (f) is determined under the following
19 STEPS:

20 STEP ONE: Determine the greater of zero (0) or the result of the following:

- 21 (1) Determine the percentage of the state population that is at least twenty (20)
- 22 years of age with less than a twelfth grade education.
- 23 (2) Determine the quotient of:
- 24 (A) nine hundred seventy dollars (\$970); divided by
- 25 (B) four thousand five hundred dollars (\$4,500).
- 26 (3) Determine the product of:
- 27 (A) the subdivision (1) amount; multiplied by
- 28 (B) the subdivision (2) amount.

29 STEP TWO: Determine the greater of zero (0) or the result of the following:

- 30 (1) Determine the percentage of the charter school's students who were eligible
- 31 for free lunches in the school year ending in 2003. If the data for this
- 32 determination are not available, determine the statewide percentage of students
- 33 who were eligible for free lunches in the school year ending in 2003.
- 34 (2) Determine the quotient of:
- 35 (A) one thousand two hundred dollars (\$1,200); divided by
- 36 (B) four thousand five hundred dollars (\$4,500).
- 37 (3) Determine the product of:
- 38 (A) the subdivision (1) amount; multiplied by
- 39 (B) the subdivision (2) amount.

40 STEP THREE: Determine the greater of zero (0) or the result of the following:

- 41 (1) Determine the percentage of the charter school's students who were classified
- 42 as limited English proficient in the school year ending in 2003. If the data for this
- 43 determination are not available, determine the statewide percentage of students
- 44 who were classified as limited English proficient in the school year ending in
- 45 2003.
- 46 (2) Determine the quotient of:
- 47 (A) four hundred thirty dollars (\$430); divided by
- 48 (B) four thousand five hundred dollars (\$4,500).
- 49 (3) Determine the product of:
- 50 (A) the subdivision (1) amount; multiplied by
- 51 (B) the subdivision (2) amount.



STEP FOUR: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of families in the state with a single parent.

(2) Determine the quotient of:

(A) five hundred thirty dollars (\$530); divided by

(B) four thousand five hundred dollars (\$4,500).

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP FIVE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of families in the state with children who are less than eighteen (18) years of age and who have a family income level below the federal income poverty level (as defined in IC 12-15-2-1).

(2) Determine the quotient of:

(A) three hundred thirty dollars (\$330); divided by

(B) four thousand five hundred dollars (\$4,500).

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP SIX: Determine the sum of the results in STEPS ONE through FIVE.

STEP SEVEN: Determine the result of one (1) plus the STEP SIX result.

STEP EIGHT: This STEP applies if the STEP SEVEN result is equal to or greater than one and twenty-five hundredths (1.25). Determine the result of the following:

(1) Determine the STEP TWO (1) amount for the charter school.

(2) Determine the quotient of:

(A) one hundred fifty dollars (\$150); divided by

(B) four thousand five hundred dollars (\$4,500).

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

(4) Determine the STEP FIVE (1) amount for the charter school.

(5) Determine the product of:

(A) the subdivision (4) amount; multiplied by

(B) the subdivision (2) amount.

(6) Determine the result of:

(A) the subdivision (3) result; plus

(B) the subdivision (5) result.

(7) Determine the result of:

(A) the STEP SEVEN result; plus

(B) the subdivision (6) result.

The data to be used in making the calculations under STEP ONE, STEP FOUR, and STEP FIVE of this subsection must be the data from the 1990 federal decennial census.

(e) A school corporation's target revenue per ADM for a the 2003 calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (B) of the following formula:

(A) Determine the result of:

(i) ~~four thousand four hundred forty dollars (\$4,440) in 2002 and four thousand five hundred sixty dollars (\$4,560); in 2003;~~ multiplied by

(ii) the index determined for the school corporation under subsection (a) or (b), as applicable.

(B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current year.



STEP TWO: Divide the school corporation's previous year revenue by the school corporation's adjusted ADM for the previous year.

STEP THREE: Multiply the ~~subsection (a) STEP FIVE result index determined under subsection (a) or (b), as applicable,~~ by the following:

(A) If the STEP TWO result is not more than ~~(i) four thousand four hundred forty dollars (\$4,440) in 2002; and (ii) four thousand five hundred sixty dollars (\$4,560) in 2003;~~ multiply by ninety dollars (\$90).

(B) If the STEP TWO result is ~~(i) more than four thousand four hundred forty dollars (\$4,440) and not more than five thousand five hundred twenty-five dollars (\$5,525) in 2002; or (ii) more than four thousand five hundred sixty dollars (\$4,560) and not more than five thousand eight hundred twenty-five dollars (\$5,825) in 2003;~~ multiply by the result under clause (C).

(C) Determine the result of the following:

(i) The STEP TWO result minus ~~four thousand four hundred forty dollars (\$4,440) in 2002 and four thousand five hundred sixty dollars (\$4,560) in 2003;~~

(ii) Divide the item (i) result by ~~one thousand eighty-five dollars (\$1,085) in 2002 and one thousand two hundred sixty-five dollars (\$1,265) in 2003;~~

(iii) Multiply the item (ii) result by forty dollars (\$40).

(iv) Subtract the item (iii) result from ninety dollars (\$90).

(D) If the STEP TWO result is more than ~~(i) five thousand five hundred twenty-five dollars (\$5,525) in 2002; and (ii) five thousand eight hundred twenty-five dollars (\$5,825), in 2003;~~ multiply by fifty dollars (\$50).

STEP FOUR: Add the STEP TWO result and the STEP THREE result.

STEP FIVE: Determine the greatest of the following:

(A) Multiply the STEP FOUR result by the school corporation's adjusted ADM for the current year.

(B) Multiply the school corporation's previous year revenue by one and two-hundredths (1.02).

(C) The STEP ONE amount.

STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ADM for the current year.

(f) This subsection applies to calendar years beginning after December 31, 2003. A school corporation's target revenue per ADM for a calendar year is the result determined under STEP NINE of the following formula:

STEP ONE: Determine the result under clause (B) of the following formula:

(A) Determine the result of:

(i) four thousand five hundred dollars (\$4,500); multiplied by

(ii) the index determined under subsection (c) or (d), as applicable.

(B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current year.

STEP TWO: Divide the school corporation's previous year revenue by the school corporation's adjusted ADM for the previous year.

STEP THREE: Determine the product of:

(A) the STEP TWO result; multiplied by

(B) the school corporation's current adjusted ADM.

STEP FOUR: Determine the greater of:

(A) the STEP ONE result; or

(B) the STEP THREE result.

STEP FIVE: Determine the result under the following formula:

(A) Determine the quotient of:

(i) the amount determine under section 9.7 of this chapter for the school



- corporation in the immediately preceding calendar year; divided by
(ii) two (2).
- (B) Determine the sum of:
- (i) the school corporation's previous year revenue; plus
 - (ii) the clause (A) amount; plus
 - (iii) in calendar year 2004, the transfer amount determined for calendar year 2002 under STEP TWO (D) of section 8.2 of this chapter.
- (C) Determine the quotient of:
- (i) the clause (B) amount; divided by
 - (ii) the school corporation's ADM for the previous year.
- (D) Determine the product of:
- (i) the clause (C) amount; multiplied by
 - (ii) one and two-hundredths (1.02).
- (E) Determine the product of:
- (i) the clause (D) amount; multiplied by
 - (ii) the school corporation's current ADM.

STEP SIX: Determine the result under the following formula:

- (A) Determine the product of:
- (i) the STEP FIVE clause (C) amount; multiplied by
 - (ii) ninety-eight hundredths (0.98).
- (B) Determine the product of:
- (i) the clause (A) amount; multiplied by
 - (ii) the school corporation's current ADM.

STEP SEVEN: Determine the greater of:

- (A) the STEP FOUR amount; or
- (B) the STEP SIX amount.

STEP EIGHT: Determine the lesser of:

- (A) the STEP SEVEN amount; or
- (B) the STEP FIVE amount.

STEP NINE: Divide the STEP EIGHT amount by the school corporation's adjusted ADM for the current year.

SECTION 91. IC 21-3-1.7-6.8, AS AMENDED BY P.L.85-2002, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:
Sec. 6.8. (a) **This section does not apply to a charter school.**

(b) **This subsection does not apply after December 31, 2003.** A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP THREE of the following formula:

STEP ONE: This STEP applies only if the amount determined in STEP FIVE of the formula in section ~~6.7(b)~~ 6.7(e) of this chapter minus the result determined in STEP ONE of the formula in section ~~6.7(b)~~ 6.7(e) of this chapter is greater than zero (0). Determine the result under clause (E) of the following formula:

- (A) Divide the school corporation's 2002 assessed valuation by the school corporation's current ADM.
- (B) Divide the clause (A) result by ten thousand (10,000).
- (C) Determine the greater of the following:
- (i) The clause (B) result.
 - (ii) Thirty-nine dollars (\$39) in 2002 and thirty-nine dollars and seventy-five cents (\$39.75) in 2003.
- (D) Determine the result determined under item (ii) of the following formula:
- (i) Subtract the result determined in STEP ONE of the formula in section ~~6.7(b)~~ 6.7(e) of this chapter from the amount determined in STEP FIVE of the formula



- 1 in section ~~6.7(b)~~ **6.7(e)** of this chapter.
- 2 (ii) Divide the item (i) result by the school corporation's current ADM.
- 3 (E) Divide the clause (D) result by the clause (C) result.
- 4 (F) Divide the clause (E) result by one hundred (100).
- 5 STEP TWO: This STEP applies only if the amount determined in STEP FIVE of the
- 6 formula in section ~~6.7(b)~~ **6.7(e)** of this chapter is equal to STEP ONE of the formula in
- 7 section ~~6.7(b)~~ **6.7(e)** of this chapter and the result of clause (A) is greater than zero (0).
- 8 Determine the result under clause (G) of the following formula:
- 9 (A) Add the following:
- 10 (i) An amount equal to the annual decrease in federal aid to impacted areas from
- 11 the year preceding the ensuing calendar year by three (3) years to the year
- 12 preceding the ensuing calendar year by two (2) years.
- 13 (ii) The portion of the maximum general fund levy for the year that equals the
- 14 original amount of the levy imposed by the school corporation to cover the costs
- 15 of opening a new school facility during the preceding year.
- 16 (B) Divide the clause (A) result by the school corporation's current ADM.
- 17 (C) Divide the school corporation's 2002 assessed valuation by the school
- 18 corporation's current ADM.
- 19 (D) Divide the clause (C) result by ten thousand (10,000).
- 20 (E) Determine the greater of the following:
- 21 (i) The clause (D) result.
- 22 (ii) Thirty-nine dollars (\$39) in 2002 and thirty-nine dollars and seventy-five
- 23 cents (\$39.75) in 2003.
- 24 (F) Divide the clause (B) result by the clause (E) amount.
- 25 (G) Divide the clause (F) result by one hundred (100).
- 26 STEP THREE: Determine the sum of:
- 27 (A) ninety-one and eight-tenths cents (\$0.918) in 2002; and
- 28 (B) ninety-five and eight-tenths cents (\$0.958) in 2003; and
- 29 if applicable, the STEP ONE or STEP TWO result.
- 30 **(c) This subsection applies to calendar years beginning after December 31, 2004. A**
- 31 **school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5**
- 32 **is the result determined under STEP FOUR of the following formula:**
- 33 **STEP ONE: Determine the product of:**
- 34 **(A) four thousand five hundred dollars (\$4,500); multiplied by**
- 35 **(B) the school corporation's current adjusted ADM.**
- 36 **STEP TWO: This STEP applies only if the amount determined in STEP EIGHT of**
- 37 **the formula in section 6.7(f) of this chapter minus the STEP ONE result is greater**
- 38 **than zero (0). Determine the result under clause (E) of the following formula:**
- 39 **(A) Divide the school corporation's assessed valuation by the school**
- 40 **corporation's current ADM.**
- 41 **(B) Divide the clause (A) result by ten thousand (10,000).**
- 42 **(C) Determine the greater of the following:**
- 43 **(i) The clause (B) result.**
- 44 **(ii) Forty-three dollars and sixty-five cents (\$43.65).**
- 45 **(D) Determine the result determined under item (ii) of the following formula:**
- 46 **(i) Subtract the STEP ONE result from the amount determined in STEP**
- 47 **EIGHT of the formula in section 6.7(f) of this chapter.**
- 48 **(ii) Divide the item (i) result by the school corporation's current ADM.**
- 49 **(E) Divide the clause (D) result by the clause (C) result.**
- 50 **(F) Divide the clause (E) result by one hundred (100).**
- 51 **STEP THREE: This STEP applies only if the amount determined in STEP EIGHT**



of the formula in section 6.7(f) of this chapter is equal to the STEP ONE result and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) Forty-three dollars and sixty-five cents (\$43.65) in 2005.

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide the clause (F) result by one hundred (100).

STEP FOUR: Determine the sum of fifty-four and two-tenths cents (\$0.542) and, if applicable, the STEP TWO or STEP THREE result.

SECTION 92. IC 21-3-1.7-8.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

Sec. 8.2. (a) Except as otherwise indicated, "school corporation" includes a charter school.

(b) As used in this section, "transfer amount" means the product of:

(1) a school corporation's assessed valuation for calendar year 2002 divided by one hundred (100); multiplied by

(2) the lesser of:

(A) three hundred twenty-eight ten-thousandths (0.0328); or

(B) the school corporation's capital projects fund tax rate for calendar year 2002 multiplied by five-tenths (0.5).

(c) This subsection applies to calendar years ending before January 1, 2004. Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:

STEP ONE:

(A) For a school corporation not described in clause (B), determine the school corporation's result under STEP FIVE of section 6.7(e) of this chapter for the calendar year.

(B) For a school corporation that has target revenue per adjusted ADM for a calendar year that is equal to the amount under STEP ONE (A) of section 6.7(e) of this chapter, determine the sum of:

(i) the school corporation's result under STEP ONE of section 6.7(e) of this chapter for the calendar year; plus

(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus

(iii) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

STEP TWO: For a school corporation that is not a charter school, determine the sum



- 1 of:
2 (A) the school corporation's tuition support levy;
3 (B) the school corporation's excise tax revenue for the year that precedes the
4 current year by one (1) year;
5 (C) for the last six (6) months of calendar year 2002, the school corporation's
6 transfer amount; plus
7 (D) for the first six (6) months of calendar year 2003, the school corporation's
8 transfer amount.

9 The amount determined under this STEP for a charter school is zero (0).

10 STEP THREE: Determine the difference between:

- 11 (A) the STEP ONE amount; minus
12 (B) the applicable STEP TWO amount.

13 (d) This subsection applies to calendar years beginning after December 31, 2003.
14 Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution
15 for a calendar year for tuition support for basic programs for each school corporation
16 equals the result determined using the following formula:

17 STEP ONE:

18 (A) For a school corporation not described in clause (B), determine the school
19 corporation's result under STEP FIVE of section 6.7(f) of this chapter for the
20 calendar year.

21 (B) For a school corporation that has target revenue per adjusted ADM for a
22 calendar year that is equal to the amount under STEP ONE (A) of section 6.7(f)
23 of this chapter, determine the sum of:

- 24 (i) the school corporation's result under STEP ONE of section 6.7(f) of this
25 chapter for the calendar year; plus
26 (ii) the amount of the annual decrease in federal aid to impacted areas from
27 the year preceding the ensuing calendar year by three (3) years to the year
28 preceding the ensuing calendar year by two (2) years; plus
29 (iii) the part of the maximum general fund levy for the year that equals the
30 original amount of the levy imposed by the school corporation to cover the
31 costs of opening a new school facility during the preceding year.

32 STEP TWO: This STEP applies to a school corporation that is not a charter school.
33 Determine the sum of:

- 34 (A) the school corporation's tuition support levy; plus
35 (B) the school corporation's excise tax revenue for the year that precedes the
36 current year by one (1) years.

37 STEP THREE: This STEP applies to a school corporation that is a charter school.
38 Determine the product of:

- 39 (A) the amount determined under STEP EIGHT of section 6.7(f) of this chapter
40 for the charter school; multiplied by
41 (B) thirty-five hundredths (0.35).

42 STEP FOUR: Determine the difference between:

- 43 (A) the STEP ONE amount; minus
44 (B) the STEP TWO or STEP THREE amount, as applicable.

45 (e) If the state tuition support determined for a school corporation under this section
46 is negative, the school corporation is not entitled to any state tuition support. In addition,
47 the school corporation's maximum general fund levy under IC 6-1.1-19-1.5 shall be reduced
48 by the amount of the negative result.

49 SECTION 93. 90. IC 21-3-1.7-9, AS AMENDED BY P.L.178-2002, SECTION 96, IS
50 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 9. (a) Subject to the
51 amount appropriated by the general assembly for tuition support, the amount that a school



corporation is entitled to receive in tuition support for a year is the amount determined in section 8.2 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, for primetime distributions under IC 21-1-30, for special education grants under IC 21-3-2.1, and for vocational education grants under IC 21-3-12 for a particular year, exceeds:

(1) three billion ~~three five~~ hundred ~~sixty-three~~ **sixty-one** million ~~four hundred thousand~~ dollars (~~\$3,363,400,000~~) **(\$3,561,000,000)** in ~~2001~~, **2003**;

(2) three billion ~~four six~~ hundred ~~thirty-seven~~ **forty-six** million ~~one one~~ hundred thousand dollars (~~\$3,437,100,000~~) **(\$3,646,100,000)** in ~~2002~~, **2004**; and

(3) three billion ~~five six~~ hundred ~~thirty-six~~ **seventy-nine** million ~~five hundred thousand~~ dollars (~~\$3,536,500,000~~) **(\$3,679,000,000)** in ~~2003~~, **2005**;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 94. IC 21-3-1.7-9.5, AS AMENDED BY P.L.93-2000, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

Sec. 9.5. (a) **As used in this section, "school corporation" includes:**

(1) **a conversion charter school; and**

(2) **beginning in the second calendar year after the calendar year in which a nonconversion charter school begins its initial operation, a nonconversion charter school.**

(b) In addition to the distribution under sections ~~8~~, **8.2**, 9.7, and 9.8 of this chapter, a school corporation is eligible for an enrollment adjustment grant if the school corporation's:

(1) current ADM minus the school corporation's previous year ADM is at least two hundred fifty (250); or

(2) current ADM divided by the school corporation's previous year ADM is at least one and five-hundredths (1.05).

~~(b)~~ (c) The amount of the enrollment adjustment grant is the amount determined in STEP THREE of the following formula:

STEP ONE: Determine the school corporation's target revenue per ADM divided by three (3).

STEP TWO: Determine the result of the school corporation's current ADM minus the school corporation's previous year ADM.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

~~(c)~~ (d) Notwithstanding any other provision, for purposes of computing the amount of a grant under this section, "ADM" does not include an eligible pupil who is described in IC 21-3-1.6-1.2(a).

SECTION 95. IC 21-3-1.7-9.7, AS AMENDED BY P.L.291-2001, SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

Sec. 9.7. (a) **As used in this section, "school corporation" includes a charter school.**

(b) In addition to the distributions under sections ~~8~~, **8.2**, 9.5, and 9.8 of this chapter for 1997 and thereafter, a school corporation is eligible for an amount for at-risk programs in the amount determined in STEP SIX of the following formula:

STEP ONE: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus two-tenths (0.2).

(ii) Multiply the item (i) result by seven-hundredths (0.07).

(B) Zero (0).



STEP TWO: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus fifteen-hundredths (0.15).

(ii) Multiply the item (i) result by eighteen-hundredths (0.18).

(B) Zero (0).

STEP THREE: Determine the result under clause (B) of the following formula:

(A) Determine the lesser of:

(i) the school corporation's at-risk index; or

(ii) fifteen-hundredths (0.15).

(B) Multiply the clause (A) result by one hundredth (0.01).

STEP FOUR: Add the STEP ONE result, the STEP TWO result, and the STEP THREE result.

STEP FIVE: Multiply the STEP FOUR sum by the school corporation's current ADM. Round the result to the nearest one-hundredth (0.01).

STEP SIX: Multiply the STEP FIVE product by ~~three thousand five hundred ninety-two dollars (\$3,592) in 2002 and three thousand six hundred sixty-four dollars (\$3,664) in 2003~~ **and zero dollars (\$0) in calendar years beginning after December 31, 2003.**

SECTION 96. IC 21-3-1.7-9.8, AS AMENDED BY P.L.291-2001, SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:
Sec. 9.8. (a) **As used in this section, "school corporation" includes a charter school.**

(b) In addition to the distributions under sections 8, **8.2**, 9.5, and 9.7 of this chapter, a school corporation is eligible for an honors diploma award in the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the number of the school corporation's eligible pupils who successfully completed an academic honors diploma program in the school year ending in the previous calendar year.

STEP TWO: Multiply the STEP ONE amount by:

(1) nine hundred forty-four dollars (\$944) in 2002; and

(2) nine hundred sixty-three dollars (\$963) in 2003.

~~(b)~~ (c) Each year the governing body of a school corporation may use the money that the school corporation receives for an honors diploma award under this section to give nine hundred forty-four dollars (\$944) in 2002 and nine hundred sixty-three dollars (\$963) in 2003 to each eligible pupil in the school corporation who successfully completes an academic honors diploma program in the school year ending in the previous calendar year.

SECTION 97. IC 21-3-1.7-10, AS AMENDED BY P.L.291-2001, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 10. This chapter expires January 1, ~~2004~~; **2006.**

SECTION 98. IC 21-3-2.1-7, AS ADDED BY P.L.111-2002, SECTION 9 AND P.L.178-2002, SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

(1) the nonduplicated count of pupils in programs for severe disabilities multiplied by ~~(A) eight thousand forty-five dollars (\$8,045) in 2002; and (B) eight thousand two hundred forty-six dollars (\$8,246); in 2003;~~ plus

(2) the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by ~~(A) two thousand one hundred eighty-three dollars (\$2,183) in 2002; and (B) two thousand two hundred thirty-eight dollars (\$2,238); in 2003;~~ plus

(3) the duplicated count of pupils in programs for communication disorders multiplied by ~~(A) five hundred eighteen dollars (\$518) in 2002; and (B) five hundred thirty-one dollars (\$531); in 2003;~~ plus



1 (4) the cumulative count of pupils in homebound programs multiplied by ~~(A) five hundred~~
2 ~~eighteen dollars (\$518) in 2002; and (B) five hundred thirty-one dollars (\$531). in 2003.~~

3 SECTION 99. IC 21-3-2.1-10, AS ADDED BY P.L.111-2002, SECTION 9 AND
4 P.L.178-2002, SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
5 2003]: Sec. 10. This chapter expires January 1, ~~2004.~~ **2006.**

6 SECTION 100. IC 21-3-3.1-0.5 IS ADDED TO THE INDIANA CODE AS A NEW
7 SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

8 **Sec. 0.5. As used in this chapter, "school corporation" does not include a charter school.**

9 SECTION 101. IC 21-3-12-1.5 IS ADDED TO THE INDIANA CODE AS A NEW
10 SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:

11 **Sec. 1.5. As used in this chapter, "school corporation" includes a charter school.**

12 SECTION 102. IC 21-3-12-12, AS AMENDED BY P.L.291-2001, SECTION 107, IS
13 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 12. This chapter
14 expires January 1, ~~2004.~~ **2006.**

15 SECTION 103. IC 21-6.1-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2003]: Sec. 8. (a) It is the intent of the 1995 session of the general assembly that the
17 state create a program to stabilize the state's general fund teacher pension expenditures as a
18 percentage of the general fund budget.

19 (b) The pension stabilization fund is established. The pension stabilization fund shall be a
20 part of the pre-1996 account, and shall be administered by the board of trustees of TRF in
21 accordance with the powers and duties granted to the board of trustees in IC 21-6.1-3-6,
22 IC 21-6.1-3-7, and IC 21-6.1-3-9 through IC 21-6.1-3-15.

23 (c) Amounts allocated to the pension stabilization fund under IC 4-30-16-3, a portion of
24 employer reserve balance (as determined by the budget director so that the employer reserve is
25 sufficient for the cash flow needs), and other amounts appropriated to the pension stabilization
26 fund by the general assembly shall be deposited in the pension stabilization fund.

27 (d) ~~Expenditures from the fund may not be made until state fiscal year 2006.~~ **After June 30,**
28 **2003, and before July 1, 2004, the board of trustees of TRF shall use an amount not to**
29 **exceed one hundred ninety million dollars (\$190,000,000) from the pension stabilization**
30 **fund to pay the pre-1996 Indiana state teachers' retirement fund's pension liabilities for**
31 **state fiscal year 2004. After June 30, 2004, and before July 1, 2005, the board of trustees of**
32 **TRF shall use an amount not to exceed one hundred ninety million dollars (\$190,000,000)**
33 **from the pension stabilization fund to pay the pre-1996 Indiana state teachers' retirement**
34 **fund's pension liabilities for state fiscal year 2005. After state fiscal year 2006, 2005, payments**
35 **from the fund will equal the pre-1996 Indiana state teachers' retirement fund pension liabilities**
36 **for the current fiscal year minus the prior year's state general fund payments for the pre-1996**
37 **Indiana state teachers' retirement fund times the pension stabilization percentage. (In state fiscal**
38 **year 2006, the prior year's state general fund payments for the pre-1996 Indiana state**
39 **teachers' retirement fund shall be treated as including the amount used under this section**
40 **in the prior state fiscal year to pay pre-1996 Indiana state teachers' retirement fund's**
41 **pension liabilities.)** The pension stabilization percentage shall be set at one hundred six percent
42 (106%). The budget agency, after review by the state budget committee and with the approval
43 of the governor, may change the pension stabilization percentage such that the present value of
44 future payments from the fund equal the fund's balance plus the present value of future receipts
45 to the fund, but the payments may not allow the fund balance to be negative.

46 (e) Money in the pension stabilization fund at the end of a state fiscal year does not revert
47 to the state general fund.

48 SECTION 104. IC 23-13-18-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
49 JULY 1, 2003]: Sec. 8. It shall be the duty of the said trustees, and they are hereby authorized and
50 required as soon as may be, to:

51 (1) erect, purchase or hire, as they may deem most expedient, for carrying the said



1 university into effect, suitable buildings for the said university;
2 (2) make ordinances for the government and discipline thereof;
3 (3) establish plans of education, which plans shall embrace each and every of the
4 languages, sciences and branches of learning directed to be taught in the said university;
5 (4) regulate the admission of students and pupils into the same;
6 (5) elect and appoint persons of suitable learning and talents to be president and professors
7 of the said university and agree with them for their salaries and emoluments;
8 (6) visit and inspect the said university;
9 (7) examine into the state of education and discipline therein;
10 (8) make a yearly report thereof to the legislature;
11 **(9) prescribe the fees, tuition, and charges necessary or convenient for the furthering**
12 **of the purposes of the institution and to collect the prescribed fees, tuition, and**
13 **charges; however, all decisions to increase fees, tuition, and charges or to establish**
14 **new fees, tuition, or charges must be adopted and published in the minutes of the**
15 **trustees not later than December 31 immediately preceding the beginning of the state**
16 **fiscal year in which the fees, tuition, or charges will take effect; and**
17 (9) generally to do all lawful matters and things whatsoever, necessary for the maintaining
18 and supporting the institution and for the more extensive communication of useful
19 knowledge.

20 SECTION 105. IC 25-1-6-3, AS AMENDED BY P.L.162-2002, SECTION 3, IS
21 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) There is
22 established the Indiana professional licensing agency. The licensing agency shall perform all
23 administrative functions, duties, and responsibilities assigned by law or rule to the executive
24 director, secretary, or other statutory administrator of the following:

- 25 (1) Indiana board of accountancy (IC 25-2.1-2-1).
- 26 (2) Board of registration for architects and landscape architects (IC 25-4-1-2).
- 27 (3) Indiana auctioneer commission (IC 25-6.1-2-1).
- 28 (4) State board of barber examiners (IC 25-7-5-1).
- 29 (5) State boxing commission (IC 25-9-1).
- 30 (6) State board of cosmetology examiners (IC 25-8-3-1).
- 31 (7) State board of funeral and cemetery service (IC 25-15-9).
- 32 (8) State board of registration for professional engineers (IC 25-31-1-3).
- 33 (9) Indiana plumbing commission (IC 25-28.5-1-3).
- 34 (10) Indiana real estate commission (IC 25-34.1).
- 35 (11) Real estate appraiser licensure and certification board (IC 25-34.1-8-1).
- 36 (12) Private detectives licensing board (IC 25-30-1-5.1).
- 37 (13) State board of registration for land surveyors (IC 25-21.5-2-1).
- 38 (14) Manufactured home installer licensing board (IC 25-23.7).
- 39 **(15) Board of chiropractic examiners (IC 25-10-1).**
- 40 **(16) State board of dentistry (IC 25-14-1).**
- 41 **(17) Indiana state board of health facility administrators (IC 25-19-1).**
- 42 **(18) Medical licensing board of Indiana (IC 25-22.5-2).**
- 43 **(19) Indiana state board of nursing (IC 25-23-1).**
- 44 **(20) Indiana optometry board (IC 25-24).**
- 45 **(21) Indiana board of pharmacy (IC 25-26).**
- 46 **(22) Board of podiatric medicine (IC 25-29-2-1).**
- 47 **(23) Board of environmental health specialists (IC 25-32-1).**
- 48 **(24) Speech-language pathology and audiology board (IC 25-35.6-2).**
- 49 **(25) State psychology board (IC 25-33).**
- 50 **(26) Indiana board of veterinary medical examiners (IC 15-5-1.1).**
- 51 **(27) Controlled substances advisory committee (IC 35-48-2-1).**



- 1 (28) Committee of hearing aid dealer examiners (IC 25-20).
- 2 (29) Indiana physical therapy committee (IC 25-27).
- 3 (30) Respiratory care committee (IC 25-34.5).
- 4 (31) Occupational therapy committee (IC 25-23.5).
- 5 (32) Social worker, marriage and family therapist, and mental health counselor board
- 6 (IC 25-23.6).
- 7 (33) Physician assistant committee (IC 25-27.5).
- 8 (34) Indiana athletic trainers board (IC 25-5.1-2-1).
- 9 (35) Indiana dietitians certification board (IC 25-14.5-2-1).
- 10 (36) Indiana hypnotist committee (IC 25-20.5-1-7).

11 (b) Except for appeals of denials of license renewals to the executive director authorized by
12 section 5.5 of this chapter, nothing in this chapter may be construed to give the licensing agency
13 policy making authority, which remains with each board.

14 SECTION 106. IC 25-1-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2003]: Sec. 4. (a) The licensing agency shall employ necessary staff, including specialists and
16 professionals, to carry out the administrative duties and functions of the boards, including but not
17 limited to:

- 18 (1) notice of board meetings and other communication services;
- 19 (2) recordkeeping of board meetings, proceedings, and actions;
- 20 (3) recordkeeping of all persons or individuals licensed, regulated, or certified by a board;
- 21 (4) administration of examinations; and
- 22 (5) administration of license or certificate issuance or renewal.

23 (b) In addition, the licensing agency:

- 24 (1) shall prepare a consolidated statement of the budget requests of all the boards in section
- 25 3 of this chapter;
- 26 (2) may coordinate licensing or certification renewal cycles, examination schedules, or
- 27 other routine activities to efficiently utilize licensing agency staff, facilities, and
- 28 transportation resources, and to improve accessibility of board functions to the public; and
- 29 (3) may consolidate, where feasible, office space, recordkeeping, and data processing
- 30 services.
- 31 (4) shall, upon written request, furnish at cost to any person a list of the names and
- 32 addresses of persons holding a license or permit issued by one (1) of the boards listed in
- 33 section 3 of this chapter.

34 (c) In administering the renewal of licenses or certificates under this chapter, the licensing
35 agency shall issue a sixty (60) day notice of expiration to all holders of a license or certificate.
36 The notice shall be accompanied by appropriate renewal forms. **If this notice of expiration is**
37 **not sent by the licensing agency, the holder of the license or certificate is not subject to a**
38 **sanction for failure to renew if, once notice is received from the licensing agency, the license**
39 **or certificate is renewed within forty-five (45) days after receipt of the notice.**

40 (d) **In administering an examination for licensure or certification, the licensing agency**
41 **shall make the appropriate application forms available at least thirty (30) days before the**
42 **deadline for submitting an application to all persons wishing to take the examination.**

43 (e) The licensing agency may require an applicant for license renewal to submit
44 evidence proving that:

- 45 (1) the applicant continues to meet the minimum requirements for licensure; and
- 46 (2) the applicant is not in violation of:
 - 47 (A) the statute regulating the applicant's profession; or
 - 48 (B) rules adopted by the board regulating the applicant's profession.

49 (f) The licensing agency shall process an application for renewal of a license or
50 certificate:

- 51 (1) not later than ten (10) days after the licensing agency receives all required forms



1 and evidence; or
2 (2) within twenty-four (24) hours after the time an applicant for renewal appears in
3 person at the licensing agency with all required forms and evidence.

4 This subsection does not require the licensing agency to issue a renewal license or certificate
5 to an applicant if subsection (g) applies.

6 (g) The licensing agency may delay issuing a license renewal for up to ninety (90) days
7 after the renewal date to permit the board to investigate information received by the
8 licensing agency that the applicant for renewal may have committed an act for which the
9 applicant may be disciplined. If the licensing agency delays issuing a license renewal, the
10 licensing agency shall notify the applicant that the applicant is being investigated. Except
11 as provided in subsection (h), before the end of the ninety (90) day period, the board shall
12 do one (1) of the following:

13 (1) Deny the license renewal following a personal appearance by the applicant before
14 the board.

15 (2) Issue the license renewal upon satisfaction of all other conditions for renewal.

16 (3) Issue the license renewal and file a complaint under IC 25-1-7.

17 (4) Request the office of the attorney general to conduct an investigation under
18 subsection (i) if, following a personal appearance by the applicant before the board,
19 the board has good cause to believe that there has been a violation of IC 25-1-9-4 by
20 the applicant.

21 (5) Upon agreement of the applicant and the board and following a personal
22 appearance by the applicant before the board, renew the license and place the
23 applicant on probation status under IC 25-1-9-9.

24 (h) If an individual fails to appear before the board under subsection (g), the board
25 may take action on the applicant's license allowed under subsection (g)(1), (g)(2), or (g)(3).

26 (i) If the board makes a request under subsection (g)(4), the office of the attorney
27 general shall conduct an investigation. Upon completion of the investigation, the office of
28 the attorney general may file a petition alleging that the applicant has engaged in activity
29 described in IC 25-1-9-4. If the office of the attorney general files a petition, the board shall
30 set the matter for a hearing. If, after the hearing, the board finds the practitioner violated
31 IC 25-1-9-4, the board may impose sanctions under IC 25-1-9-9. The board may delay
32 issuing the renewal beyond the ninety (90) days after the renewal date until a final
33 determination is made by the board. The applicant's license remains valid until the final
34 determination of the board is rendered unless the renewal is denied or the license is
35 summarily suspended under IC 25-1-9-10.

36 (j) The license of an applicant for a license renewal remains valid during the ninety (90)
37 day period unless the license renewal is denied following a personal appearance by the
38 applicant before the board before the end of the ninety (90) day period. If the ninety (90)
39 day period expires without action by the board, the license shall be automatically renewed
40 at the end of the ninety (90) day period.

41 (k) Notwithstanding any other statute, the licensing agency may stagger license or
42 certificate renewal cycles. However, if a renewal cycle for a specific board or committee is
43 changed, the licensing agency must obtain the approval of the affected board or committee.

44 (l) An application for a license, certificate, registration, or permit is abandoned without
45 an action of the board if the applicant does not complete the requirements to complete the
46 application within one (1) year after the date on which the application was filed. However,
47 the board may, for good cause shown, extend the validity of the application for additional
48 thirty (30) day periods. An application submitted after the abandonment of an application
49 is considered a new application.

50 SECTION 107. IC 25-1-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
51 1, 2003]: Sec. 5. (a) The licensing agency shall be administered by an executive director



1 appointed by the governor who shall serve at the will and pleasure of the governor.

2 (b) The executive director must be qualified by experience and training.

3 (c) The term "executive director" or "secretary", or any other statutory term for the
4 administrative officer of a board listed in section 3 of this chapter, means the executive director
5 of the licensing agency or his designee.

6 (d) The executive director is the chief fiscal officer of the licensing agency and is responsible
7 for hiring of all staff and for procurement of all services and supplies in accordance with IC 5-22.
8 The executive director and the employees of the licensing agency are subject to IC 4-15-1.8 but
9 are not under IC 4-15-2. The executive director may appoint no more than three (3) deputy
10 directors, who must be qualified to work for the boards which are served by the licensing agency.

11 (e) The executive director shall execute a bond payable to the state, with surety to consist
12 of a surety or guaranty corporation qualified to do business in Indiana, in an amount fixed by the
13 state board of accounts, conditioned upon the faithful performance of duties and the accounting
14 for all money and property that come into the executive director's hands or under the executive
15 director's control. The executive director may likewise cause any employee of the licensing
16 agency to execute a bond if that employee receives, disburses, or in any way handles funds or
17 property of the licensing agency. The costs of any such bonds shall be paid from funds available
18 to the licensing agency.

19 (f) The executive director may present to the general assembly legislative recommendations
20 regarding operations of the licensing agency and the boards it serves, including adoption of four
21 (4) year license or certificate renewal cycles wherever feasible.

22 **(g) The executive director may execute orders, subpoenas, continuances, and other**
23 **legal documents on behalf of a board or committee when requested to do so by the board**
24 **or committee.**

25 **(h) The executive director or the executive director's designee may, upon request of a**
26 **board or committee, provide advice and technical assistance on issues that may be**
27 **presented to the boards or committees.**

28 SECTION 108. IC 25-1-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
29 1, 2003]: Sec. 6. (a) The executive director ~~shall~~ **may** designate certain employees of the
30 licensing agency to represent the executive director of the licensing agency at board meetings,
31 proceedings, or any other activities of a board.

32 (b) The executive director shall assign staff to individual boards and shall work with the
33 boards to ensure efficient utilization and placement of staff.

34 SECTION 109. IC 25-1-6-7.5 IS ADDED TO THE INDIANA CODE AS A NEW
35 SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 7.5. If a board or**
36 **committee requires an applicant for a certificate or license to submit a certified copy of a**
37 **diploma showing that the applicant graduated from a school or program as a condition for**
38 **certification or licensure, the applicant may satisfy this requirement by submitting another**
39 **certified document that shows that the applicant graduated from or received the required**
40 **diploma from the applicable school or program.**

41 SECTION 110. IC 25-1-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
42 1, 2003]: Sec. 8. (a) The ~~bureau~~ **licensing agency** and the boards may allow the department of
43 state revenue access to the name of each person who:

44 (1) is licensed under this chapter; or

45 (2) has applied for a license under this chapter.

46 (b) If the department of state revenue notifies the ~~bureau~~ **licensing agency** that a person is
47 on the most recent tax warrant list, the ~~bureau~~ **licensing agency** may not issue or renew the
48 person's license until:

49 (1) the person provides to the ~~bureau~~ **licensing agency** a statement from the department
50 of revenue that the person's delinquent tax liability has been satisfied; or

51 (2) the ~~bureau~~ **licensing agency** receives a notice from the commissioner of the department



1 of state revenue under IC 6-8.1-8-2(k).

2 SECTION 111. IC 25-1-6-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
3 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 10. (a) As used in this section,
4 "provider" means an individual licensed, certified, registered, or permitted by any of the
5 following:

- 6 (1) Board of chiropractic examiners (IC 25-10-1).
- 7 (2) State board of dentistry (IC 25-14-1).
- 8 (3) Indiana state board of health facility administrators (IC 25-19-1).
- 9 (4) Medical licensing board of Indiana (IC 25-22.5-2).
- 10 (5) Indiana state board of nursing (IC 25-23-1).
- 11 (6) Indiana optometry board (IC 25-24).
- 12 (7) Indiana board of pharmacy (IC 25-26).
- 13 (8) Board of podiatric medicine (IC 25-29-2-1).
- 14 (9) Board of environmental health specialists (IC 25-32-1).
- 15 (10) Speech-language pathology and audiology board (IC 25-35.6-2).
- 16 (11) State psychology board (IC 25-33).
- 17 (12) Indiana board of veterinary medical examiners (IC 15-5-1.1).
- 18 (13) Indiana physical therapy committee (IC 25-27).
- 19 (14) Respiratory care committee (IC 25-34.5).
- 20 (15) Occupational therapy committee (IC 25-23.5).
- 21 (16) Social worker, marriage and family therapist, and mental health counselor board
22 (IC 25-23.6).
- 23 (17) Physician assistant committee (IC 25-27.5).
- 24 (18) Indiana athletic trainers board (IC 25-5.1-2-1).
- 25 (19) Indiana dietitians certification board (IC 25-14.5-2-1).
- 26 (20) Indiana hypnotist committee (IC 25-20.5-1-7).

27 (b) The licensing agency shall create and maintain a provider profile for each provider
28 licensed, certified, registered, or permitted by an entity listed in subsection (a).

29 (c) A provider profile must contain the following information:

- 30 (1) The provider's name.
- 31 (2) The provider's license, certification, registration, or permit number.
- 32 (3) The provider's license, certification, registration, or permit type.
- 33 (4) The date the provider's license, certification, registration, or permit was issued.
- 34 (5) The date the provider's license, certification, registration, or permit expires.
- 35 (6) The current status of the provider's license, certification, registration, or permit.
- 36 (7) The provider's city and state of record.
- 37 (8) A statement of any disciplinary action taken against the provider within the
38 previous ten (10) years by a board or committee described in subsection (a).

39 (d) The licensing agency shall make provider profiles available to the public.

40 (e) The computer gateway administered by the intelenet commission under IC 5-21-2
41 and known as accessIndiana shall make the information described in subsection (c)(1),
42 (c)(2), (c)(3), (c)(6), (c)(7), and (c)(8) generally available to the public on the Internet.

43 (f) The licensing agency may adopt rules under IC 4-22-2 to implement this section.

44 SECTION 112. IC 25-1-7-5, AS AMENDED BY P.L.14-2000, SECTION 55, IS
45 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) Subsection
46 (b)(1) does not apply to:

- 47 (1) a complaint filed by
48 (A) a member of any of the boards listed in section 1 of this chapter; or
49 (B) the health professions bureau; or

50 (2) a complaint filed under ~~IC 25-1-5-4~~. IC 25-1-6-4.

51 (b) The director has the following duties and powers:



(1) He shall make an initial determination as to the merit of each complaint. A copy of a complaint having merit shall be submitted to the board having jurisdiction over the licensee's regulated occupation, that board thereby acquiring jurisdiction over the matter except as otherwise provided in this chapter.

(2) He shall through any reasonable means notify the licensee of the nature and ramifications of the complaint and of the duty of the board to attempt to resolve the complaint through negotiation.

(3) He shall report any pertinent information regarding the status of the complaint to the complainant.

(4) He may investigate any written complaint against a licensee. The investigation shall be limited to those areas in which there appears to be a violation of statutes governing the regulated occupation.

(5) He has the power to subpoena witnesses and to send for and compel the production of books, records, papers, and documents for the furtherance of any investigation under this chapter. The circuit or superior court located in the county where the subpoena is to be issued shall enforce any such subpoena by the director.

SECTION 113. IC 25-1-7-6, AS AMENDED BY P.L.22-1999, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. (a) This section does not apply to:

(1) a complaint filed by

~~(A) a member of any of the boards listed in section 1 of this chapter; or~~

~~(B) the health professions bureau; or~~

(2) a complaint filed under ~~IC 25-1-5-4~~. **IC 25-1-6-4.**

(b) If, at any time before the director files his recommendations with the attorney general, the board files with the director a statement signed by the licensee and the complainant that the complaint has been resolved, the director shall not take further action. For a period of thirty (30) days after the director has notified the board and the licensee that a complaint has been filed, the division shall not conduct any investigation or take any action whatsoever, unless requested by the board. If, during the thirty (30) days, the board requests an extension of the thirty (30) day time period, the director shall grant it for a period not exceeding an additional twenty (20) days. If at any time during the thirty (30) day period or an extension thereof, the board notifies the director of its intention not to proceed further to resolve the complaint, the division may proceed immediately under this chapter. For every purpose of this section, a board may designate a board member or staff member to act on behalf of or in the name of the board.

SECTION 114. IC 25-1-8-6, AS ADDED BY P.L.269-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. (a) As used in this section, "board" has the meaning set forth in IC 25-1-4-0.3.

(b) This section does not apply to a license, certificate, or registration that has been revoked or suspended.

(c) Notwithstanding any other law regarding the reinstatement of a delinquent or lapsed license, certificate, or registration, the holder of a license, certificate, or registration that was issued by the board that is three (3) years or less delinquent must be reinstated upon meeting the following requirements:

(1) Submission of the holder's completed renewal application.

(2) Payment of the current renewal fee established by the board under section 2 of this chapter.

(3) Payment of a reinstatement fee established by the ~~health professions bureau~~. **licensing agency.**

(4) If a law requires the holder to complete continuing education as a condition of renewal, the holder shall provide the board with a sworn statement, signed by the holder, that the holder has fulfilled the continuing education requirements required by the board for the



1 current renewal period.
2 (d) Notwithstanding any other law regarding the reinstatement of a delinquent or lapsed
3 license, certificate, or registration, unless a statute specifically does not allow a license,
4 certificate, or registration to be reinstated if it has lapsed for more than three (3) years, the holder
5 of a license, certificate, or registration that was issued by the board that is more than three (3)
6 years delinquent must be reinstated upon meeting the following requirements:

- 7 (1) Submission of the holder's completed renewal application.
8 (2) Payment of the current renewal fee established by the board under section 2 of this
9 chapter.
10 (3) Payment of a reinstatement fee equal to the current initial application fee.
11 (4) If a law requires the holder to complete continuing education as a condition of renewal,
12 the holder shall provide the board with a sworn statement, signed by the holder, that the
13 holder has fulfilled the continuing education requirements required by the board for the
14 current renewal period.
15 (5) Complete such remediation and additional training as deemed appropriate by the board
16 given the lapse of time involved.
17 (6) Any other requirement that is provided for in statute or rule that is not related to fees.

18 SECTION 115. IC 25-1-9-6.9, AS ADDED BY P.L.211-2001, SECTION 2, IS AMENDED
19 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6.9. In addition to the actions
20 listed under section 4 of this chapter that subject a practitioner to disciplinary sanctions, a
21 practitioner is subject to the exercise of disciplinary sanctions under section 9 of this chapter if,
22 after a hearing, the board finds that the practitioner has:

- 23 (1) failed to provide information requested by the ~~bureau~~; **licensing agency**; or
24 (2) knowingly provided false information to the ~~bureau~~; **licensing agency**;
25 for a provider profile required under ~~IC 25-1-5-10~~; **IC 25-1-6-10**.

26 SECTION 116. IC 25-1-9-9, AS AMENDED BY P.L.211-2001, SECTION 3, IS
27 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 9. (a) The board may
28 impose any of the following sanctions, singly or in combination, if it finds that a practitioner is
29 subject to disciplinary sanctions under section 4, 5, 6, 6.7, or 6.9 of this chapter or ~~IC 25-1-5-4~~;
30 **IC 25-1-6-4**:

- 31 (1) Permanently revoke a practitioner's license.
32 (2) Suspend a practitioner's license.
33 (3) Censure a practitioner.
34 (4) Issue a letter of reprimand.
35 (5) Place a practitioner on probation status and require the practitioner to:
36 (A) report regularly to the board upon the matters that are the basis of probation;
37 (B) limit practice to those areas prescribed by the board;
38 (C) continue or renew professional education under a preceptor, or as otherwise
39 directed or approved by the board, until a satisfactory degree of skill has been attained
40 in those areas that are the basis of the probation; or
41 (D) perform or refrain from performing any acts, including community restitution or
42 service without compensation, that the board considers appropriate to the public
43 interest or to the rehabilitation or treatment of the practitioner.
44 (6) Assess a fine against the practitioner in an amount not to exceed one thousand dollars
45 (\$1,000) for each violation listed in section 4 of this chapter, except for a finding of
46 incompetency due to a physical or mental disability. When imposing a fine, the board shall
47 consider a practitioner's ability to pay the amount assessed. If the practitioner fails to pay
48 the fine within the time specified by the board, the board may suspend the practitioner's
49 license without additional proceedings. However, a suspension may not be imposed if the
50 sole basis for the suspension is the practitioner's inability to pay a fine.
51 (b) The board may withdraw or modify the probation under subsection (a)(5) if it finds, after



1 a hearing, that the deficiency that required disciplinary action has been remedied, or that changed
2 circumstances warrant a modification of the order.

3 SECTION 117. IC 32-34-1-20, AS ADDED BY P.L.2-2002, SECTION 19, IS AMENDED
4 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 20. (a) For purposes of this
5 section, an indication of interest in the property by the owner:

6 (1) does not include a communication with an owner by an agent of the holder who has not
7 identified in writing the property to the owner; and

8 (2) includes the following:

9 (A) With respect to an account or underlying shares of stock or other interest in a
10 business association or financial organization:

11 (i) the cashing of a dividend check or other instrument of payment received; or

12 (ii) evidence that the distribution has been received if the distribution was made
13 by electronic or similar means.

14 (B) A deposit to or withdrawal from a bank account.

15 (C) The payment of a premium with respect to a property interest in an insurance
16 policy.

17 (D) The mailing of any correspondence in writing from a financial institution to the
18 owner, including:

19 (i) a statement;

20 (ii) a report of interest paid or credited; or

21 (iii) any other written advice;

22 relating to a demand, savings, or matured time deposit account, including a deposit
23 account that is automatically renewable, or any other account or other property the
24 owner has with the financial institution if the correspondence is not returned to the
25 financial institution for nondelivery.

26 (E) Any activity by the owner that concerns:

27 (i) another demand, savings, or matured time deposit account or other account
28 that the owner has with a financial institution, including any activity by the
29 owner that results in an increase or decrease in the amount of any other account;
30 or

31 (ii) any other relationship with the financial institution, including the payment of
32 any amounts due on a loan;

33 if the mailing address for the owner contained in the financial institution's books and
34 records is the same for both an inactive account and for a related account.

35 (b) The application of an automatic premium loan provision or other nonforfeiture provision
36 contained in an insurance policy does not prevent the policy from maturing or terminating if the
37 insured has died or the insured or the beneficiary of the policy otherwise has become entitled to
38 the proceeds before the depletion of the cash surrender value of the policy by the application of
39 those provisions.

40 (c) Property that is held, issued, or owed in the ordinary course of a holder's business is
41 presumed abandoned if the owner or apparent owner has not communicated in writing with the
42 holder concerning the property or has not otherwise given an indication of interest in the property
43 during the following times:

44 (1) For traveler's checks, fifteen (15) years after issuance.

45 (2) For money orders, seven (7) years after issuance.

46 (3) For consumer credits, three (3) years after the credit becomes payable.

47 (4) For gift certificates, three (3) years after December 31 of the year in which the gift
48 certificate was sold. If the gift certificate is redeemable in merchandise only, the amount
49 abandoned is considered to be sixty percent (60%) of the certificate's face value.

50 (5) For amounts owed by an insurer on a life or an endowment insurance policy or an
51 annuity contract:



- (A) if the policy or contract has matured or terminated, three (3) years after the obligation to pay arose; or
- (B) if the policy or contract is payable upon proof of death, three (3) years after the insured has attained, or would have attained if living, the limiting age under the mortality table on which the reserve is based.
- (6) For property distributable by a business association in a course of dissolution, one (1) year after the property becomes distributable.
- (7) For property or proceeds held by a court or a court clerk, other than property or proceeds related to child support, five (5) years after the property or proceeds become distributable. The property or proceeds must be treated as unclaimed property under IC 32-34-3. For property or proceeds related to child support held by a court or a court clerk, ten (10) years after the property or proceeds become distributable.
- (8) For property held by a state or other government, governmental subdivision or agency, or public corporation or other public authority, one (1) year after the property becomes distributable.
- (9) For compensation for personal services, one (1) year after the compensation becomes payable.
- (10) For deposits and refunds held for subscribers by utilities, one (1) year after the deposits or refunds became payable.
- (11) For stock or other interest in a business association, five (5) years after the earlier of:
- (A) the date of the last dividend, stock split, or other distribution unclaimed by the apparent owner; or
- (B) the date of the second mailing of a statement of account or other notification or communication that was:
- (i) returned as undeliverable; or
- (ii) made after the holder discontinued mailings to the apparent owner.
- (12) For property in an individual retirement account or another account or plan that is qualified for tax deferral under the Internal Revenue Code, three (3) years after the earliest of:
- (A) the actual date of the distribution or attempted distribution;
- (B) the distribution date as stated in the plan or trust agreement governing the plan; or
- (C) the date specified in the Internal Revenue Code by which distribution must begin in order to avoid a tax penalty.
- (13) For a demand, savings, or matured time deposit, including a deposit that is automatically renewable, five (5) years after maturity or five (5) years after the date of the last indication by the owner of interest in the property, whichever is earlier. Property that is automatically renewable is considered matured for purposes of this section upon the expiration of its initial period, unless the owner has consented to a renewal at or about the time of the renewal and the consent is in writing or is evidenced by a memorandum or other record on file with the holder.
- (14) For property payable or distributable in the course of a demutualization, rehabilitation, or related reorganization of a mutual insurance company, five (5) years after the earlier of:**
- (A) the date of last contact with the policyholder; or**
- (B) the date the property became payable or distributable.**
- (15) For all other property, the earlier of five (5) years after:**
- (A) the owner's right to demand the property; or**
- (B) the obligation to pay or distribute the property;**
- arose.
- (d) Property is payable or distributed for purposes of this chapter notwithstanding the



owner's failure to make demand or present an instrument or a document otherwise required to receive payment.

SECTION 118. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: IC 20-5.5-7-2; IC 21-3-1.7-3.1; IC 21-3-1.7-8.

SECTION 119. P.L. 208-2001, SECTION 2, IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 120. IC 25-1-5 IS REPEALED [EFFECTIVE JULY 1, 2003].

SECTION 121. P.L.291-2001, SECTION 101, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: SECTION 101. (a) Notwithstanding IC 21-3-1.6-1.2, as added by this act, and IC 21-3-1.7, the tuition support determined under IC 21-3-1.7-8 for a school corporation shall be reduced as follows:

(1) For 2001, the previous year's revenue determined without regard to IC 21-3-1.6-1.2, as added by this act, shall be reduced by an amount determined under the following STEPS:

STEP ONE: Determine the difference between:

(A) the school corporation's average daily membership count for 2000, without regard to IC 21-3-1.6-1.2, as added by this act; minus

(B) the school corporation's average daily membership count for 2000, as adjusted by the school corporation under this act after applying IC 21-3-1.6-1.2, as added by this act.

STEP TWO: Determine the result of:

(A) the school corporation's previous year's revenue under IC 21-3-1.7-3.1, without regard to IC 21-3-1.6-1.2, as added by this act; divided by

(B) the school corporation's average daily membership for 2000, without regard to IC 21-3-1.6-1.2, as added by this act.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by one-third (1/3).

(2) For 2002, the previous year revenue determined without regard to IC 21-3-1.6-1.2, as added by this act, shall be reduced by an amount equal to the result under the following:

(A) Determine the result of:

(i) the amount determined under STEP THREE of subdivision (1); minus

(ii) the amount determined under STEP FOUR of subdivision (1).

(B) Divide the clause (A) result by three (3).

(C) Multiply the clause (B) result by one and three-hundredths (1.03).

(3) For 2003, the previous year revenue determined without regard to IC 21-3-1.6-1.2, as added by this act, shall be reduced by an amount equal to the reduction amount under subdivision (2) multiplied by one and two-hundredths (1.02).

(4) For 2004, the previous year revenue determined without regard to IC 21-3-1.6-1.2, as added by P.L.93-2000, shall be reduced by an amount equal to the reduction under subdivision (2) ~~(2)~~ (3) multiplied by one and two-hundredths (1.02).

(b) This SECTION expires January 1, 2005.

SECTION 122. [EFFECTIVE JULY 1, 2003] **Notwithstanding IC 4-12-1-14.3, the limitations imposed by IC 4-12-1-14.3 on the amount of expenditures, transfers, or distributions that may be made from the Indiana tobacco master settlement agreement fund during any state fiscal year do not apply to appropriations made from the fund by this act. Appropriations made from the fund by this act may be paid from any money in the fund, including interest accrued from investment of money in the fund.**

SECTION 123. [EFFECTIVE JULY 1, 2003] (a) **The rules adopted by the health professions bureau before July 1, 2003, and in effect on June 30, 2003, shall be treated after June 31, 2003, as the rules of the Indiana professional licensing agency.**

(b) **On July 1, 2003, the Indiana professional licensing agency becomes the owner of all**



1 of the property of the health professions bureau. An appropriation made to the health
2 professions bureau shall be treated after June 30, 2003, as an appropriation to the Indiana
3 professional licensing agency.

4 (c) Any reference in a law, rule, license, or agreement to the health professions bureau
5 shall be treated after June 30, 2003, as a reference to the Indiana professional licensing
6 agency.

7 SECTION 124. [EFFECTIVE JULY 1, 2003] (a) As used in this SECTION, "office"
8 refers to the office of Medicaid policy and planning established under IC 12-8-6-1.

9 (b) The office may apply to the United States Department of Health and Human
10 Services for a state Medicaid waiver that would require specified Medicaid recipients of a
11 county to enroll in the Medicaid risk-based managed care program. The office may apply for
12 a waiver under this SECTION for any county that the office determines that required
13 Medicaid recipient participation in the risk-based managed care program would be feasible
14 and cost effective.

15 (c) The office may not implement a waiver applied for under this SECTION and that
16 is approved by the United States Department of Health and Human Services until the office
17 files an affidavit with the governor attesting that the federal waiver applied for under this
18 SECTION is in effect. The office shall file the affidavit under this subsection not later than
19 five (5) days after the office is notified that a waiver is approved.

20 (d) If the office receives approval from the United States Department of Health and
21 Human Services for a waiver applied for under this SECTION and the governor receives
22 the affidavit filed under subsection (c), the office shall implement the waiver not more than
23 sixty (60) days after the governor receives the affidavit.

24 (e) The office may adopt rules under IC 4-22-2 necessary to implement this SECTION.

25 (f) This SECTION expires December 31, 2008.

26 SECTION 125. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to a
27 pharmacy that:

28 (1) holds a pharmacy license under IC 25-26; and

29 (2) dispenses prescription drugs to Medicaid recipients in a health facility licensed
30 under IC 16-28.

31 (b) As used in this SECTION, "office" refers to the office of Medicaid policy and
32 planning established by IC 12-8-6-1.

33 (c) A pharmacy described in subsection (a) shall report to the office all rebates,
34 discounts, and other price concessions that the pharmacy receives from a pharmaceutical
35 manufacturer or wholesaler for prescription drugs dispensed to Medicaid recipients in a
36 health facility licensed under IC 16-28.

37 (d) A pharmacy described in subsection (a) shall submit the information required
38 under this SECTION to the office:

39 (1) on a quarterly basis, beginning not later than thirty (30) days after the effective
40 date of this SECTION; and

41 (2) upon requires by the office, within forty-five (45) days after the request from the
42 office.

43 (e) A pharmacy described in subsection (a) shall submit the information required under
44 subsection (d) in the format requested by the office.

45 (f) The office shall use the information received under this SECTION to determine the
46 appropriate reimbursement for the drug ingredient cost and professional services fee for
47 drugs dispensed by a pharmacy described in subsection (a) to Medicaid recipients in a
48 health facility licensed under IC 16-28.

49 SECTION 126. [EFFECTIVE JULY 1, 2003] The trustees of Indiana University and
50 Purdue University may issue and sell bonds under IC 20-12-6, subject to the approvals
51 required by IC 20-12-5.5, for the following projects if for each institution the sum of



principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

INDIANA UNIVERSITY PURDUE UNIVERSITY INDIANAPOLIS	
Research Institute Building III	33,333,333
PURDUE UNIVERSITY- West Lafayette Campus	
Millennium Engineering Building	36,000,000
INDIANA UNIVERSITY-PURDUE UNIVERSITY INDIANAPOLIS	
Campus Center	40,000,000

The borrowing authority granted by this SECTION for the Indiana University-Purdue University Indianapolis Campus Center project is not authorized for fee replacement, but supplements, and is in addition to, the \$10,000,000 of fee-replaced bonding authority granted in P.L.291-2001, SECTION 46.

SECTION 127. [EFFECTIVE JULY 1, 2003] The trustees of the University of Southern Indiana may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the University of Southern Indiana:

UNIVERSITY OF SOUTHERN INDIANA	
Renovation of the University Center	9,750,000

The project is not eligible for fee replacement.

SECTION 128. [EFFECTIVE JULY 1, 2003] The trustees of the University of Southern Indiana may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the University of Southern Indiana:

UNIVERSITY OF SOUTHERN INDIANA	
Library	29,084,830

SECTION 129. [EFFECTIVE JULY 1, 2003] The trustees of Ivy Tech State College may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the following:

Richmond Building Addition, Phase II	8,780,000
Indianapolis/Lawrence Roosevelt Building	
Acquisition	10,000,000
Evansville Phase II	18,158,000
Madison A&E	826,000

SECTION 130. [EFFECTIVE JULY 1, 2003] The trustees of Purdue University may issue and sell bonds under IC 20-12-8, subject to the approvals required by IC 20-12-5.5, for the purpose of constructing, furnishing, and equipping the Parking Garage No. 1 project at the Calumet Campus, so long as the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed eleven million five hundred thousand dollars (\$11,500,000). The project is not eligible for fee replacement.

SECTION 131. [EFFECTIVE JULY 1, 2003] The trustees of Indiana State University may issue and sell bonds under IC 20-12-6, subject to the approvals required by



IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the Indiana State University:

INDIANA STATE UNIVERSITY

University Hall Renovation and

Business School A&E

2,240,000

SECTION 132. [EFFECTIVE JULY 1, 2003] The trustees of Ball State University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the Ball State University:

BALL STATE UNIVERSITY

Communication Building A&E

1,470,000

SECTION 133. [EFFECTIVE JULY 1, 2003] (a) The general assembly finds that the state needs the construction, equipping, renovation, refurbishing, or alteration of not more than one (1) regional health center.

(b) The general assembly finds that the state will have a continuing need for use and occupancy of the health center described in subsection (a). The general assembly authorizes the state office building commission to provide the health center described in subsection (a) under IC 4-13.5-1 and IC 4-13.5-4.

SECTION 134. [EFFECTIVE JULY 1, 2002 (RETROACTIVE)] (a) Notwithstanding IC 32-34-1-34, the treasurer of state shall transfer on:

(1) June 30, 2003;

(2) June 30, 2004; and

(3) June 30, 2005;

any balance (excluding amounts needed to fund appropriations to the attorney general for personal services and other operating expenses for the unclaimed property program) in the abandoned property fund that exceeds five hundred thousand dollars (\$500,000) to the state general fund.

(b) After June 30, 2002, and before July 1, 2005, the treasurer of state may not transfer any amount in the abandoned property fund to the common school fund. If any money was transferred after June 30, 2002, in a manner that is inconsistent with this subsection, the treasurer of state shall take the necessary action to restore the money to the abandoned property fund and transfer the money as required under subsection (a).

SECTION 135. [EFFECTIVE JULY 1, 2003] (a) The budget agency shall cause fifty million dollars (\$50,000,000) to be transferred from the public depository insurance fund to the state general fund in the state fiscal year beginning July 1, 2003, and ending June 30, 2004, with the following conditions:

(1) The transfer required under this SECTION is an interest free loan from the public depository insurance fund to the state general fund.

(2) If prior to January 1, 2013, the governor, on the advice of the budget agency, makes a determination that the general fund has a balance sufficient to repay the loan, the budget agency shall establish a repayment plan under which the loan is repaid either in one (1) installment or in a number of installments determined by the budget agency. Money sufficient to make the installments under a repayment plan established under this subsection is appropriated from the general fund.

(3) If the governor, on the advice of the budget agency, has not made a determination prior to January 1, 2013, to repay the interest free loan to the public depository insurance fund, the budget agency shall include a request for funds to repay the loan



1 in the budget agency budget request submitted to the 2013 session of the general
2 assembly.

3 (b) The budget agency shall cause the following transfers to be made from the specified
4 funds to the state general fund in the specified state fiscal years:

5 (1) Two million dollars (\$2,000,000) from the industrial industries fund in the state
6 fiscal year beginning July 1, 2003, and ending June 30, 2004.

7 (2) Two million four hundred thousand dollars (\$2,400,000) from the industrial
8 industries fund in the state fiscal year beginning July 1, 2004, and ending June 30,
9 2005.

10 (3) Two million five hundred thousand dollars (\$2,500,000) from the administrative
11 services fund in the state fiscal year beginning July 1, 2004, and ending June 30, 2005.

12 (c) This SECTION expires July 1, 2013.

13 SECTION 136. [EFFECTIVE JULY 1, 2003] (a) Notwithstanding IC 32-34-1-26, a life
14 insurance company that was required to file a report with the attorney general concerning
15 abandoned property before May 1, 2003, shall file a supplemental report with the attorney
16 general concerning property that:

17 (1) is abandoned property for purposes of IC 32-34-1-20(c)(14), as amended by this
18 act; and

19 (2) was not included on a report previously filed under IC 32-34-1-26.

20 The supplemental report required by this SECTION must be filed before November 1,
21 2003, and must include the information required by IC 32-34-1-26.

22 (b) This SECTION expires July 1, 2005.

23 SECTION 137. [EFFECTIVE UPON PASSAGE] (a) An advance by the state board of
24 finance of money from the abandoned property fund established by IC 32-34-1-33 to a
25 charter school is forgiven.

26 (b) This SECTION expires June 30, 2005.

27 SECTION 138. [EFFECTIVE JULY 1, 2003] The amount of one hundred seventy-five
28 million dollars (\$175,000,000) made available to Indiana under Section 903 of the Social
29 Security Act, as amended by Section 209 of the Temporary Extended Unemployment
30 Compensation Act of 2002 (which is Title II of the federal Jobs Creation and Worker
31 Assistance Act of 2002, P.L.107-147), is credited to the unemployment insurance benefit
32 fund established by IC 22-4-26-1 to be used as authorized under that section.

33 SECTION 139. [EFFECTIVE JULY 1, 2003] For purposes of appropriations made by
34 this act for:

35 (1) textbook reimbursement;

36 (2) full day kindergarten;

37 (3) testing and remediation; and

38 (4) graduation exam remediation;

39 the term "school corporation" includes a charter school (as defined in IC 20-5.5-1-4).

40 SECTION 140. [EFFECTIVE JULY 1, 2003] (a) Notwithstanding IC 4-15 or any other
41 law or rule to the contrary, the budget agency shall be responsible for oversight of all
42 programs and functions dealing with the personnel classification system, adjustments in
43 classification plans, pay plans, fringe benefits, and any other benefits accruing to state
44 employees with a monetary impact on the state.

45 (b) The state personnel department shall submit all plans, and programs covered in
46 subsection (a) to the budget agency for approval prior to implementation.

47 (c) The state personnel department shall provide the budget agency with all
48 documentation needed for the budget agency to accomplish the duties imposed on the
49 budget agency by this SECTION.

50 (d) The budget agency may employ staff necessary to carry out the provisions of this
51 SECTION.



1 (e) Notwithstanding IC 4-15-2, the state personnel department shall make personnel
2 adjustments within the personnel department which are necessitated by implementation of
3 this SECTION.

4 SECTION 141. [EFFECTIVE UPON PASSAGE] The provisions of this act are severable
5 in the manner provided by IC 1-1-1-8(b).

6 SECTION 142. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred HB 1001, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT TO AMEND THE INDIANA CODE concerning state and local administration and to make an appropriation.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1001 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 17, nays 11.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 113, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 59. IC 9-29-3-14, AS AMENDED BY P.L.176-2001, SECTION 27, AND AS AMENDED BY P.L.291-2001, SECTION 190, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 14. (a) The service charge for an identification card issued under IC 9-24 is

~~(1) one-half (1/2) of each fee collected plus~~ fifty cents (\$0.50) and one-half (1/2) of each fee collected as set forth in IC 9-29-9-15. ~~during 2002 and 2003; and~~

~~(2) one-half (1/2) of each fee collected as set forth in IC 9-29-9-15 during 2004 and thereafter.~~

(b) Fifty cents (\$0.50) of each service charge collected under subsection (a) ~~during 2002 and 2003~~ shall be deposited in the state motor vehicle technology fund established by IC 9-29-16-1.

SECTION 60. IC 9-29-16-5, AS ADDED BY P.L.176-2001, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. The fund consists of the following:

(1) Fifty cents (\$0.50) of each service charge or fee collected by license branches ~~during 2002 and 2003~~ under the following:

(A) IC 9-29-3-4.

(B) IC 9-29-3-6.

(C) IC 9-29-3-7.

(D) IC 9-29-3-8.

(E) IC 9-29-3-9.

(F) IC 9-29-3-10.

(G) IC 9-29-3-11.

(H) IC 9-29-3-12.

(I) IC 9-29-3-14.

(J) IC 9-29-3-18.

(K) IC 9-29-15-1.

(L) IC 9-29-15-4.

(2) Money deposited with the approval of the budget agency in the fund from any part of:

(A) a service fee established under IC 9-29-3-19; or

(B) an increase of a service fee increased under IC 9-29-3-19.

(3) Money received from any other source, including appropriations."

Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 17, 2003.)

CRAWFORD

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 11, line 26, delete "(IC 32-9-1.5-33)" and insert "(IC 32-34-1-33)".

Page 13, delete line 24, begin a new line double block indented and insert:

"SCHOOL AND LIBRARY INTERNET CONNECTION".

Page 27, line 23, delete "INDIANA" and insert **"PROFESSIONAL".**

Page 27, line 24, delete "3,466,214 3,466,214" and insert **"1,863,216 1,863,216".**

Page 27, line 25, delete "1,493,457 1,493,457" and insert **"638,365 638,365".**

Page 27, between lines 31 and 32, begin a new line blocked left and insert:

"FOR THE HEALTH PROFESSIONS BUREAU

Personal Services 2,394,5382,394,538

Other Operating Expense 855,092 855,092

Augmentation allowed in amounts not to exceed additional revenue from fee increases enacted after January 1, 2001."

Page 52, line 34, delete "1,286,700,000 1,395,500,000" and insert **"1,209,600,000 1,209,600,000".**

Page 61, delete lines 46 through 49.

Page 62, delete lines 1 through 10.

Page 73, line 44, delete "1,555,023,720 1,536,057,054" and insert **"1,655,023,720 1,636,057,054".**

Page 73, delete lines 45 through 47.

Page 74, line 3, after "assembly." insert **"The auditor of state shall transfer from amounts retained in the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3) to the Property Tax Replacement Fund one hundred million dollars (\$100,000,000) in the state fiscal year beginning July 1, 2003, and ending June 30, 2004, and one hundred million dollars (\$100,000,000) in the state fiscal year beginning July 1, 2004, and ending June 30, 2005. "**

Page 74, line 4, after "appropriations" insert **"and transfers".**

Page 74, line 4, after "Settlement" insert **"Agreement".**

Page 74, line 5, delete "IC 4-12-1-14.3" and insert **"IC 4-12-1-14.3(f)".**

Page 77, line 45, before "In" insert **"Of the foregoing appropriations, \$825,000 shall be allocated to the buddy system each state fiscal year during the biennium."**

Page 80, delete lines 36 through 49.

Page 81, delete lines 1 through 12.

Page 86, line 9, delete "243,281,368" and insert **"240,790,180".**

Page 86, line 29, delete "451,646,137" and insert **"449,154,949".**

Page 93, delete lines 40 through 50.

Page 94, delete lines 1 through 38.

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Page 95, line 1, after "shall" insert **"only"**.

Page 95, line 6, delete "Before July 1, 2005, the remainder of the money transferred under this".

Page 95, delete lines 7 through 8.

Page 95, line 9, delete "teachers' retirement fund."

Page 99, line 29, delete ":".

Page 99, delete lines 30 through 32.

Page 99, line 33, delete "(2) after June 30, 2005,".

Page 99, line 33, delete "one hundred percent (100%) of".

Page 99, run in lines 29 through 35.

Page 99, line 36, delete "percentage of the".

Page 99, line 36, delete "to which".

Page 99, line 37, delete "the entity is entitled under subdivision (1) or (2), as applicable,".

Page 99, line 41, reset in roman "exceed".

Page 99, line 41, delete "exceeds the percentage of".

Page 99, line 41, delete "to which the entity is" and insert ",".

Page 99, line 42, delete "entitled under subsection (j);".

Page 99, line 46, delete "and" and insert ",".

Page 99, line 46, delete "." and insert **", and (j) and IC 4-33-13-5(f)."**

Page 100, delete lines 28 through 32, begin a new line double block indented and insert:

"(2) fifty percent (50%) of the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year beginning July 1, 2002, and ending June 30, 2003, under IC 4-33-12-6."

Page 100, delete lines 40 through 44, begin a new line double block indented and insert:

"(2) fifty percent (50%) of the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year beginning July 1, 2003, and ending June 30, 2004, under IC 4-33-12-6."

Page 103, line 38, after "2003," insert **"and before July 1, 2005,"**.

Page 103, between lines 44 and 45, begin a new line block indented and insert:

"After June 30, 2005, thirty-three million dollars (\$33,000,000) of tax revenues collected in a state fiscal year under this chapter shall be distributed as revenue sharing under subsection (d)."

Page 104, line 34, reset in roman "2003".

Page 104, line 34, after "2003" insert **", and August 15,"**.

Page 104, line 38, after "riverboat." insert **"Before August 15, 2005, and August 15 of each year thereafter, the treasurer of state shall**

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distribute the thirty-three million dollars (\$33,000,000) of revenue sharing provided under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat."

Page 105, line 7, reset in roman "2003".

Page 105, line 7, delete "2006".

Page 105, line 10, delete "percentage of the".

Page 105, line 11, reset in roman "(as determined under IC 4-33-12-6)".

Page 105, line 11, delete "to which the entity is entitled under IC 4-33-12-6(j)(2)".

Page 105, line 13, delete "The" and insert "After June 30, 2003, and before July 1, 2005, the amount of the supplemental distribution is equal to fifty percent (50%) of the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6. After June 30, 2005, the".

Page 105, line 14, delete "percentage of the".

Page 105, line 14, reset in roman "(as".

Page 105, line 15, reset in roman "determined under IC 4-33-12-6)".

Page 105, line 15, delete "to which the entity is entitled under IC 4-33-12-6(j)(2)".

Page 122, line 33, delete "(IC 21-2-11.5-2)" and insert "(IC 21-2-11.5-2))".

Page 123, line 3, delete "or school bus replacement fund under IC 21-2-11-4".

Page 136, line 49, delete "January 10, 2003," and insert "May 1, 2003,".

Page 137, delete lines 17 through 37.

Page 140, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 122. [EFFECTIVE JULY 1, 2003] The trustees of Indiana State University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the Indiana State University:

INDIANA STATE UNIVERSITY

University Hall Renovation and

Business School A&E

2,240,000

SECTION 123. [EFFECTIVE JULY 1, 2003] The trustees of Ball State University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit

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enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for the Ball State University:

BALL STATE UNIVERSITY

Communication Building A&E 1,470,000".

Page 140, line 35, delete "[EFFECTIVE UPON PASSAGE]" and insert "[EFFECTIVE JULY 1, 2002 (RETROACTIVE)]".

Page 140, line 43, delete "Before" and insert "**After June 30, 2002, and before**".

Page 140, line 44, after "fund." insert "**If any money was transferred before June 30, 2003, in a manner that is inconsistent with this subsection, the treasurer of state shall take the necessary action to restore the money to the abandoned property fund and transfer the money as required under subsection (a).**"

Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 17, 2003.)

CRAWFORD

HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 69, line 8, delete "30,977,000 32,477,000" and insert "**35,236,000 36,699,000**".

(Reference is to HB 1001 as printed February 17, 2003.)

CRAWFORD

HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 21, delete line 23, and insert "**54,724,078 54,724,078**".

Page 21, delete lines 28 through 29.

Page 21, line 30, delete "fund," and insert "**fund, and**".

Page 21, line 30, delete "account, and" and insert "**account.**".

Page 21, delete line 31.

Page 21, line 33, delete "Account," and insert "**Account, and**".

Page 21, line 34, delete ", and the State Highway Fund".

(Reference is to HB 1001 as printed February 17, 2003)

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 91, after line 43 , begin a new paragraph and insert: SECTION 34. [EFFECTIVE JULY 1, 2003] (a) The trustees of Indiana University - Purdue University at Fort Wayne may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the purpose of constructing, remodeling, renovating, furnishing, and equipping a music building, if the sum of the principal costs of the bonds issued is not more than nineteen million dollars (\$19,000,000). (b) Bonding authority granted by this SECTION is not eligible for fee replacement appropriations until July 1, 2005.

Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 17, 2003.)

ALDERMAN

HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 93, delete lines 40 through 48.

Page 93, line 50, before "Sec. 7" insert "(a)".

Page 94, line 16, strike "tickets." insert "**tickets, which shall not include a terminal or device that may be operated solely by the player without assistance of the retailer**".

Page 94, strike lines 18 through 19.

Page 94, line 20, strike "(11)" and insert "**(10)**".

Page 94, line 21, strike "(12)" and insert "**(11)**".

Page 94, line 22, strike "(13)" and insert "**(12)**".

Page 94, between lines 23 and 24, begin a new paragraph and insert: "**(b) Lottery games authorized by the commission shall not include keno.**"

Page 94, delete line 24.

Page 94, delete lines 25 through 38

(Reference is to HB 1001 as printed February 17, 2003.)

TURNER

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1001 be recommitted to a Committee of One, its author, with specific instructions to amend as follows:

Page 13, line 17, after "increases" insert ", **fringe benefit increases,**".

Page 93, line 8, delete "2002," and insert "**2003,**".

Page 93, line 31, reset in roman "tickets."

Page 93, line 31, delete "tickets, which shall not include a terminal or device".

Page 93, delete lines 32.

Page 93, reset in roman lines 34 through 35.

Page 93, line 36, reset in roman "(11)".

Page 93, line 36, delete "(10)".

Page 93, line 37, reset in roman "(12)".

Page 93, line 37, delete "(11)".

Page 93, line 38, reset in roman "(13)".

Page 93, line 38, delete "(12)".

Page 104, line 11, after "to" insert " **the following:**".

Page 104, line 11, before "fifty" begin a new line block indented and insert:

"(1) For an entity described in IC 4-33-12-6(b)(1), IC 4-33-12-6(b)(2), IC 4-33-12-6(b)(3), IC 4-33-12-6(d)(1), IC 4-33-12-6(d)(2), IC 4-33-12-6(d)(3), or IC 4-33-12-6(d)(4),"

Page 104, line 14, after "IC 4-33-12-6." begin a new line block indented and insert:

"(2) Subject to IC 4-33-12-6(l), for an entity described in IC 4-33-12-6(b)(4) and IC 4-33-12-6(d)(5), IC 4-33-12-6(b)(5) and IC 4-33-12-6(d)(6), and IC 4-33-12-6(b)(6) and IC 4-33-12-6(d)(7), the amount of the supplemental distribution is equal to the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6."

Page 104, line 14, beginning with "After" begin a new line blocked left.

(Reference is to HB 1001 as reprinted February 20, 2003.)

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COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred House Bill 1001, begs leave to report that said bill has been amended as directed.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Finance, to which was referred House Bill No. 1001, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT TO AMEND THE INDIANA CODE concerning state and local administration and to make an appropriation.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1001 as reprinted February 21, 2003.)

BORST, Chairperson

Committee Vote: Yeas 9, Nays 5.

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